

17th September, 1924

THE LEGISLATIVE ASSEMBLY DEBATES

(Official Report)

Volume IV, Part VI

(17th September to 24th September 1924)

FIRST SESSION

OF THE

SECOND LEGISLATIVE ASSEMBLY, 1924

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1924.

Legislative Assembly.

The President :

THE HONOURABLE SIR FREDERICK WHYTE, KT.

Deputy President :

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MR. M. A. JINNAH, M.L.A.

MR. K. C. NEOGY, M.L.A.

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MR. S. C. GUPTA, BAR.-AT-LAW.

MR. G. H. SPENCE, I.C.S.

Marshal :

CAPTAIN SURAJ SINGH, BAHADUR, I.O.M.

Committee on Public Petitions :

DIWAN BAHADUR T. RANGACHARIAR, M.L.A., *Chairman of the Committee.*

COLONEL SIR HENRY STANYON, KT., C.I.E., V.D., M.L.A.

HAJI WAJIHUDDIN, M.L.A.

RAJA RAGHUNANDAN PRASAD SINGH, M.L.A.

MR. HARCHANDRAI VISHINDAS, C.I.E., M.L.A.

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LEGISLATIVE ASSEMBLY.

Wednesday, 17th September, 1924.

The Assembly met in the Assembly Chamber at Eleven of the Clock, Mr. President in the Chair.

QUESTIONS AND ANSWERS.

CASE AGAINST SERGEANT O'MEARA, MANAGER OF THE GRASS FARM, DEOLALI.

2058. *Haji S. A. K. Jeelani : (a) Will the Government be pleased to state whether it is a fact that Sergeant O'Meara, Manager of the Grass Farm, Deolali, was prosecuted and tried by the Military Court of Inquiry in 1921 at Deolali ?

(b) Will the Government be pleased to state the charges on which prosecution was launched against him ?

(c) Will the Government be pleased to state whether it is a fact that on the findings of the Military Court of Inquiry Sergeant O'Meara was further prosecuted before the Cantonment Magistrate of Deolali ?

(d) Will the Government be pleased to state the names, and designations of those who were cited as chief witnesses in this case and whose evidence was taken in full ?

(e) Is it a fact that after a full trial of the accused and on the strength of the evidence tendered, he was committed to Sessions by the Cantonment Magistrate ?

(f) Is it a fact that at the Court of Sessions the case was withdrawn by the Government pleader ?

(g) Will the Government be pleased to state the reasons for the withdrawal of the case ?

(h) Will the Government be pleased to state whether it is a fact that the witness who gave evidence in the two Subordinate Courts against the accused, tendered evidence in favour of the accused at the Court of Sessions ?

(i) Will the Government be pleased to state whether any action, departmental or otherwise, has been taken against him for tendering conflicting evidence ?

(j) Will the Government be pleased to state whether there had been any Indian witnesses in this case, if so, will the Government be pleased to state their names and avocations ?

(k) Will the Government be pleased to lay on the table a copy of the papers connected with the case ?

Mr. E. Burdon : (a) The conduct of Staff Sergeant O'Meara, Manager of the Military Grass Farm, Deolali, was investigated by a Court of Inquiry which was held at Deolali on the 16th May 1921. In the recommendation of that Court, the case was reported to the civil police for investigation.

(b) and (c). A prosecution was instituted, under sections 109, 465, 477-A and 480 of the Indian Penal Code, in the Court of the Cantonment Magistrate, Deolali.

(3557)

(d) A statement giving the names and designations of the witnesses is laid on the table.

(e) The case was committed to the Sessions Court, Nasik, by the Cantonment Magistrate, Deolali.

(f) The case was not withdrawn. Agreeing with the unanimous verdict of the jury, the Judge held that the charge was not proved against the accused, and they were, therefore, acquitted.

(g) This question does not now arise.

(h) Government are informed that this is not a fact.

(i) Does not arise.

(j) Yes. The information desired has been given in the statement laid on the table in reply to part (d) of this question.

(k) Government are not prepared to lay any papers on the table. The judicial records are not in the possession of the Government of India.

Statement giving the names and designations of the witnesses who tendered evidence in the case against Sergeant O'Meara.

Major V. W. Brett, Assistant Controller of Grass Farms, 9th Circle.

Major H. Kirke (formerly Deputy Assistant Director, Veterinary Services, Poona District).

Captain R. L. Watts, Oxfordshire and Buckinghamshire Light Infantry.

Khan Sahib Sheik Ahmed, Deputy Examiner, Military Accounts Department.

Karid Khan, Octroi Inspector.

Esmailji, Contractor.

Mithu Pillaji Dhangar, Weighman and Despatcher, Military Grass Farms, Deolali.

Bhagechand Shirsat (without occupation).

RELIEF OF DISTRESS CAUSED BY THE FLOODS IN SOUTHERN INDIA.

2059. ***Mr. C. Duraiswami Aiyangar** : Will the Government be pleased to state what action the Government of India intend taking to co-operate, with the Local Government in granting relief to the distressed people in the flooded areas in Southern India ?

Mr. J. W. Bhore : The attention of the Honourable Member is drawn to the reply given to Mr. Bhubanananda Das' question No. 1905 on the same subject.

Mr. A. Rangaswami Aiyangar : May I know if the Government would be able to give some time to Members of this House to bring to the notice of Government the nature of the relief that is needed from the Government of India to the Madras Government for the people in distress.

Mr. J. W. Bhore : I am not in a position to give the Honourable Member any definite assurance, but I have already promised to consider the point.

APPOINTMENT OF A COMMITTEE TO CONSIDER THE GRIEVANCES OF THE PUBLIC WITH REGARD TO RAILWAYS.

2060. ***Mr. C. Duraiswami Aiyangar** : (a) Is it a fact that the Secretary, Railway Grievances Redressing Association for India

addressed a letter in August 1921 to His Excellency the Governor General stating in detail the complaints of the public with constructive suggestions ?

(b) If so, will the Government be pleased to state what action has been taken to remedy the grievances ?

(c) Do the Government intend to get a representative committee appointed to inquire and report on the grievances and their remedies ?

Mr. C. D. M. Hindley : (a) Yes.

(b) The Secretary, Railway Grievances Redressing Association for India was informed at the time by the Private Secretary to His Excellency the Viceroy of the action taken.

(c) Government do not consider the appointment of such a Committee necessary.

INCREASE OF LICENCE FEES FOR THE SALE OF COFFEE, ETC., AT RAILWAY STATIONS ON THE SOUTH INDIAN RAILWAY.

2061. ***Mr. C. Duraiswami Aiyangar :** (a) Is it a fact that Mr. Muirhead, the Managing Director of the South Indian Railway Company, increased the license fee for selling coffee, etc., to the passengers on the platform from about one rupee a year to about six rupees a month ?

(b) Are the Government aware that increase of the license fee results in the supply of an inferior quantity of coffee, sweetmeats, etc., to the passengers ?

(c) Are the Government prepared to take steps to get the license fee reduced to a nominal term ?

Mr. C. D. M. Hindley : (a), (b) and (c). Government have no information. The matter is one which, if represented to the Agent, might suitably be discussed with the Local Advisory Committee of the Railway.

A copy of the question and answer will be sent to the Agent.

THEFT OF INSURED LETTERS.

2062. ***Mr. C. Duraiswami Aiyangar :** (a) Has the attention of the Government been drawn to an article in "Railway Guardian" of May 1924 under the heading "the second class gate-keeper of Trichinopoly Junction S. I. Ry. Co." ?

(b) Is it a fact that there were some defalcations of the contents of insured letters delivered from the Terupati Post Office ?

(c) Will the Government be pleased to state the number of such letters and the value of contents lost ?

(d) Will the Government be pleased to state if the culprit has been detected ?

Mr. H. A. Sams : (a) No.

(b) Yes.

(c) Three, each for one hundred rupees.

(d) No. A postman who was suspected was transferred to another post office where he is being prosecuted in connection with another case.

EXPENDITURE ON ROADS IN THE ST. THOMAS MOUNT CANTONMENT.

2063. ***Haji S. A. K. Jeelani** : (a) Will the Government be pleased to state separately the total income for the past three years of the St. Thomas Mount Cantonment proper and the Bazaar Boundary division (Sadar Bazaar) of the said cantonment ?

(b) Will the Government be pleased to state the budget allotment for repairs and constructions of roads of the St. Thomas Mount Cantonment for the last three years ?

(c) Will the Government be pleased to state how much of this allotment had actually been spent for construction and repairs of roads in the Cantonment proper and the Bazaar Boundary division of the St. Thomas Mount Cantonment.

Mr. E. Burdon : The information required has been called for from the local military authorities. I will communicate it to the Honourable Member when it is received.

RELIEF MEASURES FOR AREAS AFFECTED BY THE RECENT FLOODS.

2064. ***Sardar V. N. Mutalik** : Will Government be pleased to state whether this Government intend to render any help towards the relief measures for the areas affected by recent floods, and the extent, and nature of the help ?

Mr. J. W. Bhore : The attention of the Honourable Member is drawn to the reply given to Mr. Bhubanananda Das' question No. 1905 on the same subject.

APPOINTMENT OF ADDITIONAL JUDGES TO THE CALCUTTA HIGH COURT.

2065. ***Mr. Kumar Sankar Ray** : (a) Will the Government be pleased to state whether any representation has been made by the Calcutta High Court for the appointment of additional Judges to the said High Court ?

(b) If so, what are the grounds advanced for such additional appointments ?

(c) Is congestion of work one of such grounds ? If so, will the Government be pleased to publish a comparative statement of the number of different kinds of cases instituted and disposed of by the High Court in the years 1905 and 1922 respectively ?

(d) Whether such congestion if any, is tending to increase or decrease since 1922 ?

Mr. H. Tonkinson : (a) Yes.

(b) and (c). The proposal is based on the ground of the accumulation of arrears. The Honourable the Chief Justice has expressed the view that although every effort is being made to reduce the arrears the Court with its present staff can barely keep abreast with current work, and that there is no hope of overtaking the arrears unless substantial additional assistance is given to the Bench. Statements containing the statistics asked for are laid on the table.

(d) The total pendency of suits was less on the 1st January 1924 than in the two preceding years.

APPENDIX.

Statement showing the arrears of work in the Calcutta High Court on the 1st July 1922 and 1st January 1923.

Original Side.	HALF YEAR ENDING THE 30TH JUNE 1922.				HALF YEAR ENDING THE 31ST DECEMBER 1922.				REMARKS.	
	Pending on 1st January 1922.	Instituted during the half year.	Total.	Disposed of.	Pending on 1st July 1922.	Instituted during the half year.	Total.	Disposed of.		
Original Suits	5,322	2,185	7,517	2,029	5,488	1,494	6,982	1,699	5,283	
Insolvent cases	1,215	137	1,352	23	1,329	108	1,437	24	1,413	
Miscellaneous cases	316	342	658	321	337	336	673	340	333	
Totals for above periods	6,853	2,664	9,527	2,373	7,154	1,938	9,092	2,063	7,029	

Statement showing the arrears of work in the Calcutta High Court on the 1st July 1922 and 1st January 1923.

Appellate Side (Criminal).	HALF YEAR ENDING THE 30TH JUNE 1922.					HALF YEAR ENDING THE 31ST DECEMBER 1922.					REMARKS.		
	Pending on 1st January 1922.	Instituted during the half year.	Total.	Admitted.	Rejected.	Disposed of.	Pending on 1st July 1922.	Instituted during the half year.	Total.	Admitted.		Rejected.	Disposed of.
Appeals	48	342	390	72	274	77	39	330	369	50	233	58	78
References	19	61	80	..	..	73	7	66	73	..	..	53	20
Revision	102	692	794	274	319	387	88	797	885	376	349	397	139
Totals for the above periods.	169	1,095	1,264	346	593	537	134	1,193	1,327	426	582	508	237

Statement showing the arrears of work in the Calcutta High Court on the 1st July 1922 and 1st January 1923.

Appellate Side (Civil).	HALF YEAR ENDING THE 30TH JUNE 1922.				HALF YEAR ENDING THE 31ST DECEMBER 1922.				REMARKS.
	Pending on 1st January 1922.	Instituted during the half year.	Total.	Disposed of.	Pending on 1st July 1922.	Instituted during the half year.	Total.	Disposed of.	
First Appeals	453	205	658	195	463	132	595	113	482
Second Appeals	5,323	1,547	6,870	2,220	4,650	1,158	5,808	1,323	4,480
Miscellaneous cases	1,342	1,718	3,060	1,780	1,280	1,301	2,581	1,369	1,212
Totals for the above periods	7,118	3,470	10,588	4,195	6,393	2,591	8,984	2,810	6,174

Tabular statement showing the arrears of the Calcutta High Court on the 1st July 1905 and 1st January 1906.

	HALF YEAR ENDING 30TH JUNE 1905.				HALF YEAR ENDING 31st DECEMBER 1905.				REMARKS.	
	Pending on 1st Jan- uary 1905.	Instituted during the half year.	Total.	Disposed of.	Pending on 1st July 1905.	Instituted during the half year.	Total.	Disposed of.		Pending on 1st Jan- uary 1906.
<i>Original side.</i>										
Original suits	1,226	492	1,718	668	1,050	433	1,483	394	1,069	
Insolvent suits	183	131	314	117	197	119	316	88	236	
Miscellaneous cases	(b)257	290	537	288	289	193	462	256	206	
Total	(b) 1666	903	2,569	1,053	1,516	745	2,261	738	1,523	
<i>Appellate Side. (Civil).</i>										
First appeals	1,171	247	1,418	403	1,015	284	1,299	213	1,086	
Second appeals	5,191	1,320	6,511	2,745	3,766	1,329	5,095	1,514	3,581	
Miscellaneous cases	913	2,801	3,414	2,609	805	1,958	27,63	1,747	1,016	
Total	7,275	4,068	11,343	5,757	5,586	3,571	9,157	3,474	5,983	

(b) According to the return for the first half of 1905.

	HALF-YEAR ENDING 30TH JUNE 1905.					HALF-YEAR ENDING 31st DECEMBER 1905.					Pending on 1st January 1906.		
	Pending on 1st January 1905.*	Filed.	Total.	Admitted.	Rejected.	Disposed of.	Pending on 1st July 1905.	Filed.	Total.	Admitted.		Rejected.	Disposed of.
<i>Appellate Side (Criminal)</i>													
Appeal	75	643	718	188	383	154	181	502	683	193	321	290	72
References	21	54	75	..	56	..	19	56	75	..	..	62	13
Review on	172	883	1,055	397	336	566	153	833	986	387	319	539	78
Total	268	1,580	1,848	585	719	776	353	1,391	1,744	570	640	941	103

Mr. K. C. Neogy : Have Government considered the desirability of establishing a City Civil Court for Calcutta ?

Mr. H. Tonkinson : That question, I think, was considered some years ago, but it has not been recently considered.

Mr. K. C. Neogy : Are Government aware that the Retrenchment Committee which was appointed to go into the expenditure of the High Court of Calcutta in their report recommended that the establishment

of a City Civil Court might be considered as a method of reducing the work of the Calcutta High Court ?

Mr. H. Tonkinson : I am prepared to take that as a statement of fact from the Honourable Member.

REPRESENTATION FROM SARBILAND KHAN, LATE SUB-INSPECTOR OF POLICE, DERA ISMAIL KHAN, AGAINST HIS DISMISSAL.

2066. ***Khan Bahadur Makhdum Syed Rajan Baksh Shah :** Have the Government of India received a representation addressed to His Excellency the Viceroy against the order dated 3rd April 1924 of the Honourable the Chief Commissioner, North-West Frontier Province, rejecting the appeal and confirming the order of the Inspector General of Police, dated 19th January 1924 dismissing one Sarbiland Khan late Sub-Inspector No. 7 in Dera Ismail Khan, or has the same been withheld under some executive authority by the local administration through whom it was submitted ?

The Honourable Sir Alexander Muddiman : The Government of India have received no such representation and have no information regarding the withholding of any such representation by the Chief Commissioner.

QUALIFICATIONS OF SARBILAND KHAN, LATE SUB-INSPECTOR OF POLICE, DERA ISMAIL KHAN.

2067. ***Khan Bahadur Makhdum Syed Rajan Baksh Shah :** Is it a fact that the dismissed Sub-Inspector Sarbiland Khan (a) possessed high educational qualifications having passed :

- (1) The Anglo-Vernacular Entrance Examination of the Punjab University.
- (2) The Patwari, and
- (3) Kanungo Examination of the Revenue Department, and
- (4) With credit the St. John Ambulance Examination.
- (5) Stood first among all the Punjab and Frontier Province candidates at the 1910 Upper Class Examination of the Phillour Police Training School ?

(b) Has he served Government for 22 years of which 16 years were in the police and is it a fact that for his good work he was promoted to the post of Sub-Inspector in 1915 and given his grade promotion in April 1923 ?

(c) Was he on several occasions granted commendation certificates and rewards for his meritorious services ?

The Honourable Sir Alexander Muddiman : The Government of India have no information.

CASE OF SARBILAND KHAN, LATE SUB-INSPECTOR OF POLICE, DERA ISMAIL KHAN.

2068. ***Khan Bahadur Makhdum Syed Rajan Baksh Shah :** (a) Is it a fact that the main charge against Sarbiland Khan was that he did not properly investigate a case of grievous hurt on the nose with a stick which was eventually compromised and that he was also found fault with for not complying with the orders of the Inspector and Deputy Superintendent of Police to produce before them parties and witnesses in that case but it was proved that at the time when these orders reached the police station

he was working as a junior under his senior officer Sub-Inspector Basheshar Nath ?

(b) Was Mr. Cooks, Inspector General, to whom the papers were first sent up struck with the irrelevancies of the proceedings and did he in his order, dated 21st August 1923, direct further inquiry and was the Sub-Inspector as a result of that order reinstated ?

(c) How was it that no further inquiry was made by the Superintendent of Police in compliance with the above order and is it a fact that the Sub-Inspector was dismissed by Mr. Tomkins who succeeded as Inspector General on the first report referred to ?

(d) Did " C " or confidential reports form one of the chief reasons for the order dismissing the Sub-Inspector ?

(e) Is there a rule 17—3 in the Police Code issued by Government authority which lays down that " dismissal shall be awarded only for the gravest misconduct and in making such an award regard shall be held to the length of service of the offender and his claim to pension " ?

(f) If the answers to the above questions are in the affirmative and the facts on which they are based are correctly stated are the Government of India prepared to call for the papers and reconsider the case ?

The Honourable Sir Alexander Muddiman : (a) to (d). Government have no information.

(e) Yes, but the quotation is not quite accurate.†

(f) I am not prepared to call for the papers, since the case was one which the local Administration had full powers to dispose of.

OPERATION OF SECTIONS 211 AND 500 OF THE INDIAN PENAL CODE IN THE DERA ISMAIL KHAN DISTRICT.

2069. ***Khan Bahadur Makhdum Syed Rajan Baksh Shah :** Is it a fact that sections 211 and 500 of the Indian Penal Code do not operate in Dera Ismail Khan district of the N. W. F. Province ? If so, will the Government please state the reasons for which the following case was dismissed by the Deputy Commissioner :

Sardar Asad Jan Khan, son of Nawab Sahib Mohammad Afzal Khan Gandapur of Kulachi complainant *versus* Abdul Majid Khan, son of Mohammad Atal Khan Gandapur accused ; filed on 23rd January 1920. Charge under sections 211, 500 ?

The Honourable Sir Alexander Muddiman : The information required has been called for from the local Government and will be communicated to the Honourable Member when it is received.

DIFFERENCES BETWEEN KHASSADARS, SCOUTS AND Chighawalas.

2070. ***Khan Bahadur Makhdum Syed Rajan Baksh Shah :** (a) Will the Government be pleased to state what is the difference between a Khassadar, a scout and a *Chighawala* ?

(b) What services are taken from them and what is given them in return per month ?

(c) What is " *Shahi Chigha* " ? Do the Government give anything to the persons who go on *Chigha* ?

† The words " under the black mark system or " should come in between the words " only " and " for ".

(d) If nothing is given them is it because of the fact that they live in the settled districts and are peaceful subjects ; or is it because of the fact that in order to save their lives and properties from the inroads of the raider they are given rifles by the Government ?

Mr. Denys Bray : (a) Khassadars are tribesmen (mainly trans-border) employed on a tribal basis for watch and ward on or across the border. They feed, clothe, house and arm themselves. Scouts are members of the North and South Waziristan Scouts which have replaced the old Militia units. They are provided with uniforms and arms and hold the more important posts in Waziristan which are not occupied by troops. A *Chighawala* is any member of a village pursuit party, who turns out as in duty bound by frontier village custom to drive off, or intercept, raiders attacking or threatening his own or a neighbouring village.

(b) Khassadars patrol and picket roads, furnish escorts, and help in preventing the passage of raiders. The duties of the Scouts are somewhat similar. The *Chighawala's* duties I have already specified. Khassadars get Rs. 20 to Rs. 30 monthly ; Scouts are paid at slightly lower rates than Sepoys. *Chighawalas* as such receive no pay.

(c) The term is not in current use. Though *Chighawalas* receive no regular pay, they are commonly rewarded if they render good service.

(d) Scouts and Khassadars receive pay as whole-time Government servants. *Chighawalas* are not Government servants at all, but are often armed with Government rifles.

Bigar IN THE GANDAPURI TRACT OF THE N. W. F. PROVINCE.

2071. ***Khan Bahadur Makhdum Syed Rajan Baksh Shah :** Is it a fact that *bigar* is rife in the Gandapuri tract ?

IRRIGATION WORK ON THE LUNI RIVER.

2072. ***Khan Bahadur Makhdum Syed Rajan Baksh Shah :** (a) Will the Government be pleased to state when in the Gandapuri tract it was made a law that in future the irrigation work on the Luni river should be done on "*raqha*" instead of "*maujuda*" ?

(b) How many times was the dam at Madi village made an exception to the rule.

(c) Did the zamindar protest that the law has been broken by the officers themselves ? If so, was any heed paid to such protests ?

DAMS AND WATERWAYS IN THE GANDAPURI TRACT OF THE N. W. F. PROVINCE.

2073. ***Khan Bahadur Makhdum Syed Rajan Baksh Shah :** Is it a fact that (a) those dams and waterways which were admitted by the last settlement in the Gandapuri tract are disallowed by the irrigation department ; and (b) when to redress their grievances an application is sent to the present Revenue Assistant he takes months and months in deciding such cases ?

Mr. J. W. Bhore : The information is not available and has been called for from the local Administration.

REPRESENTATION OF MUHAMMADANS IN THE INCOME-TAX DEPARTMENT OF THE PUNJAB AND THE NORTH-WEST FRONTIER PROVINCE.

2074. *Khan Bahadur Makhdum Syed Rajan Baksh Shah : (a) Will the Government be pleased to state the number of appointments held by Christians, Hindus, and Muhammadans as Assistant Commissioners, Income-tax officers, Inspectors and clerical assistants in the Income-tax Department of the Punjab and the North-West Frontier Province ?

(b) Will the Government be pleased to state the number of Christian, Hindu and Muhammadan assessors in these Provinces ?

(c) Will the Government be pleased to state why the proportion of the Muhammadans is so low in the Income-tax Department and what steps the Government propose to take in order to ensure proper representation for the Muhammadans ?

The Honourable Sir Basil Blackett : The information is being obtained and will be furnished to the Honourable Member in due course.

RESULT OF THE STAFF SELECTION BOARD EXAMINATION HELD IN JUNE 1924.

2075. *Khan Bahadur Makhdum Syed Rajan Baksh Shah : (a) Will the Government be pleased to lay on the table a list of candidates who came out successful in the examination held by the Staff Selection Board at Simla in the end of June last ? How many of these successful candidates have so far been provided for ?

(b) Are the Government prepared to consider the question of notifying the names of those successful candidates who are not likely to be provided for by the Government of India, to Provincial Governments, so that they could have a chance of employment in Government offices sooner ?

The Honourable Sir Alexander Muddiman : (a) A copy of the list of outside candidates who passed the Staff Selection Board's examination held in June last is placed on the table. It is too early yet for any of the candidates to be provided with appointments.

(b) Copies of the list have been forwarded to Local Governments for publication in the local Gazettes if they consider it desirable. At the request of some Local Governments the names of the candidates in the list belonging to their provinces have also been communicated to them.

No. F.-678-24-Public.

GOVERNMENT OF INDIA.

HOME DEPARTMENT.

NOTIFICATION.

PUBLIC.

Simla, the 20th August 1924.

The names of the outside candidates who have qualified for employment in the Government of India Secretariat and in Attached offices as a result of the examination

held by the Staff Selection Board on the 28th and 30th June 1924 and the marks obtained by each candidate are hereby published for general information :

List of candidates qualified for employment as stenographers in order of merit.

Serial No.	Roll No.	Names.	Marks.	Speed per minute.
1	366	V. G. R. Aiyangar	180*	140 words.
2	75	Dalip Singh Bhala	378	140 "
3	365	V. Deraiwami	356	100 "
4	329	Shankar Das Malik	140*	100 "
5	249	Mohd. Siddiq	321	100 "
6	245	Mohd. Yaqub	320	100 "
7	335	Sita Ram	316	100 "
8	340	Syed Mohammed Hussan	292	100 "
9	10	Agam Prasad Mathur	286	100 "
10	58	Brij Mohan Vaishya	268	100 "
11	252	Muni Lal	265	100 "
12	41	Barkat Ram Anand	259	100 "
13	350	Sukhabindu Sen Gupta	252	100 "
14	191	K. L. Talwar	195	100 "

* Indicates marks for stenography only. These candidates were exempted from the written examination as they had previously qualified.

List of candidates qualified for employment as typists and routine clerks, in order of merit.

Serial No.	Roll No.	Names.	Marks.
1	368	Miss Agnes Vieux	303
2	267	Padam Nabh Joshi	247
3	26	Avadh Narain Lal	241
4	172	Kalwant Rai	239
5	66	Chand Kishore	223
6	112	Guranditta Mall Chopra	221
7	113	Gurbaksh Singh	221
8	33	Badri Datt Joshi	214
9	28	Ayodhia Prasad	210
10	25	Angshuman Banerjee	209
11	60	Brij Bhushan Lal	209
12	247	Mohammed Yusuf	206
13	133	Hari Krishan Joshi	208
14	53	Bibhuti Bhushan Datt	203
15	357	Syed Ghalib Ali Shah	202
16	243	Mohd. Yaqub Ahmad	199
17	322	Shah Din	198
18	261	Nazir Ahmad	198
19	300	Ram Swaroop Sharma	198
20	313	Sardari Lal	192
21	93	Fazlur Rahman	192
22	332	Shiv Narain Saksena	191
23	333	Shiv Shankar	190
24	225	M. L. Dilvaria	189

Serial No.	Roll No.	Names.	Marks.
25	360	Triloki Nath Gupta	189
26	137	Harnam Dass	186
27	324	Shah Mohamed Burney	181
28	177	Kesar Singh	180
29	179	Khushal Chand	180
30	120	Gyan Chand (P. P. Jain)	176
31	5	Abdul Wahid	175
32	255	Mohammad Riaz Shah	172
33	49	Bhagwati Prasad	169
34	344	Sardar Mohd.	167
35	208	Mahboob Alam	166
36	298	R. R. Kochhar	161
37	188	Kishore Chand	153
38	363	Tufail Mohammad	151
39	337	Sita Ram Kaistha	146
40	380	Sharifur Rahman Khan	144

T. SLOAN,

Deputy Secretary to the Government of India.

REPRESENTATION OF MUHAMMADANS IN THE OFFICE OF THE DISTRICT TRAFFIC SUPERINTENDENT, QUETTA, NORTH-WESTERN RAILWAY.

2076. ***Khan Bahadur Makhdum Syed Rajan Baksh Shah** : Has the notice regarding the number of Muslims employed in the office of the D. T. S., Quetta, published in the issue of 17th August 1924, of the *Muslim Outlook*, come to the notice of the Government ? If so, do the Government propose to take steps to give adequate representation to the Muslim community in the staff of the office of the D. T. S., Quetta ?

Mr. C. D. M. Hindley : Government have not seen the notice quoted, but in this connection the Honourable Member is referred to the reply in respect to a similar representation given to Chaudhri Bahawal Baksh on the 20th March 1924.

PROPOSED CONSTRUCTION OF THE ODERO LAL-SAKRAND LIGHT RAILWAY.

2077. ***Mr. Harchandrai Vishindas** : (a) Is it a fact that Government replied to the application of Messrs. Forbes, Forbes, Campbell & Co., Ltd., of Karachi for sanction to build the Odero Lal-Sakrand Light Railway that the Government had no objection to the construction of the line by the company but that the Government were not prepared to grant any concessions for survey or construction ?

(b) If so, will Government be pleased to state the reasons for such refusal ?

(c) Is it a fact that in the past such concessions were granted as a matter of course ?

Mr. C. D. M. Hindley : (a) The reply given to Messrs. Forbes, Forbes, Campbell and Co. in April last about the proposed Odero Lal-Sakrand Light Railway was that the Board had no objection to the construction of the proposed line, but were not prepared to undertake the survey.

or if the construction of the railway were eventually decided upon to grant any concession under the branch line terms of 1913.

(b) The reason for that reply was that the branch line terms of 1913 are at present in abeyance.

(c) It is not correct to say that in the past such concessions were granted as a matter of course. Proposals submitted by the promoters of such branch lines were subjected to careful examination before concessions were granted under those terms.

Mr. Harchandrai Vishindas : May I inquire whether in this case there is any chance of these feeder lines coming into existence ? Have the Government come to a conclusion ?

Mr. C. D. M. Hindley : In this particular case I think it is a matter for the Local Government to take up and if they do so, I have no doubt that we shall consider any representation they send to us on the subject.

Mr. Harchandrai Vishindas : Is the Honourable Member in a position to come to a conclusion as to whether these lines would be financially paying in the long run ? Has that question been taken into consideration by the Government ?

Mr. C. D. M. Hindley : I am speaking from memory, perhaps not perfect memory. But in regard to this case my impression is that it is not what we call a remunerative project.

ENCOURAGEMENT OF PRIVATE ENTERPRISE FOR THE CONSTRUCTION AND WORKING OF BRANCH AND FEEDER RAILWAY LINES.

2078. ***Mr. Harchandrai Vishindas :** (a) Have the Government of India in their Railway Department modified their former policy of encouraging private enterprise for the construction and working of branch and feeder lines ?

(b) Did such modification aim at the State's in preference to private companies' financing of such lines ?

(c) If so, are Government in adequate funds to carry out all such schemes as private companies have offered to undertake ?

(d) Have Government invited and received opinions from the various Chambers of Commerce and is it a fact that the Chambers have favoured the view that the usual concessions should be granted and private enterprise encouraged ?

Mr. C. D. M. Hindley : (a) and (b). The question of modifying the previous branch line policy in accordance with the recommendations in paragraphs 177-180 of the report of the Acworth Committee is under consideration.

(c) Government do not anticipate any difficulty in providing funds for such branch lines as are likely to prove remunerative. It is, of course, only such lines that private companies would be prepared to take up.

(d) The opinions of Provincial Governments were asked but not those of Chambers of Commerce. It is understood, however, that

certain Provincial Governments consulted firms interested in branch line companies.

Mr. Harchandrai Vishindas : If a company undertakes to construct a line, if it is unremunerative that loss will not fall on the Government. It will fall on the company. Am I right ?

Mr. C. D. M. Hindley : I have no doubt the Honourable Member is correct, but at the same time I cannot conceive of a public company undertaking to construct a line which is obviously going to be unremunerative.

Mr. Harchandrai Vishindas : Exactly. If the public company undertakes to construct the line, it may be presumed that the company thinks it to be remunerative and may be permitted to do so.

Mr. C. D. M. Hindley : I think that is a hypothetical question.

ENCOURAGEMENT OF PRIVATE ENTERPRISE FOR THE CONSTRUCTION OF LIGHT RAILWAYS.

2079. ***Mr. Harchandrai Vishindas :** (a) Are Government aware that it was at the earnest solicitations of the people who would be served by the Odera-Lal-Sakrand Light Railway that Messrs. Forbes, Forbes, Campbell & Co., Ltd., undertook its construction ?

(b) Are Government aware that the Province of Sindh has been long suffering from great lack of communications ?

(c) Has it come to the knowledge of Government of India that when the attention of H. E. Sir George Lloyd, the late Governor of Bombay, was drawn to this drawback in an address presented to him in early January 1923, his reply was that he considered the construction of light railways to be the proper remedy ; and that in default of Local Boards shouldering the responsibility of constructing such railways, private enterprise should be *warmly* encouraged ?

(d) If so, do Government propose to translate into action the hope held out by His Excellency ?

Mr. C. D. M. Hindley : (a), (b) and (c). The reply is in the negative.

(d) There is nothing to prevent the hope stated to have been held out by His Excellency the Governor of Bombay in January 1923 being realised, and the Government of India have stated in reply to the only application they have received in regard to the construction of the Light Railway in question that they have no objection to the construction of the line.

Mr. Harchandrai Vishindas : Might I inquire whether any communication has been received from that company as to whether they intend to construct the line, or have any conditions been imposed upon them by Government which they are not prepared to accept ? What is the position now ?

Mr. C. D. M. Hindley : The position is as I have already stated. I do not think any recent application has been received so far as I can remember.

CAPACITY OF RAILWAY WORKSHOPS FOR GENERAL REPAIR AND REHABILITATION WORK.

2080. *Mr. W. S. J. Willson : Will Government be pleased to state what is the capacity of the workshops attached to each railway system with regard to :

- (a) repair of locomotives,
- (b) repair of wagons,
- (c) manufacture of spare parts for wagons,
- (d) general repair and rehabilitation work ?

Mr. C. D. M. Hindley : The information asked for in (a) and (b) is being collected and will be supplied to the Honourable Member on receipt ; also the information with regard to (c) if it is possible to obtain it.

(d) If the Honourable Member will suggest the unit on which the capacity of workshops for general repair and rehabilitation work can be calculated, I will see whether it is possible to obtain the information for him.

RESOLUTION *re* RUPEE TENDERS FOR THE PURCHASE OF STORES.

2081. *Mr. W. S. J. Willson : Will Government be pleased to state :

- (a) What action they have taken on the resolution of Mr. M. A. Jinnah as amended, which the Assembly passed at the Delhi session recommending that Rupee tenders should be called for all State purchases in this country ;
- (b) The capital outlay on the workshop of each railway system in India and what additional outlay is expected to be made in the next five years ?

The Honourable Mr. A. C. Chatterjee : (a) The question is receiving consideration and the Honourable Member will realize that it has to be examined in many complicated aspects.

(b) I place on the table two statements giving the information so far as available.

I

Statement showing capital outlay on workshops including stores buildings on each line of State railways whether worked by Coy. or State incurred from commencement of operations or from date of purchase in the case of railways purchased from the old Guaranteed Railway Companies to end of 31st March 1924.

Railways.	Outlay to end of 1923-24
	Rs.
North Western	2,54,48,229
Oudh and Rohilkhand	59,86,643
Assam Bengal	84,01,322
Bengal Nagpur	1,32,77,016
Burma	49,23,823
Bombay, Baroda and Central India	1,11,21,571
East Indian	1,62,54,861
Great Indian Peninsula	1,43,54,478
South Indian	84,71,564
Eastern Bengal	Information not available.
Madras and Southern Mahratta	Information not available.

II.

Statement showing additional capital outlay proposed to be incurred on the workshops of each railway system during the five years 1924-25 to 1928-29.

Railway.	Capital Rs. (Lakhs).
Assam Bengal Railway	23.11
Bengal and North Western Railway ..	1.00
Bengal Nagpur Railway	54.23
Burma Railways	15.09
Bombay, Baroda and Central India Ry. ..	224.45
East Indian Railway	131.93
Eastern Bengal Railway	56.58
Great Indian Peninsula Railway	165.35
Madras and Southern Mahratta Railway ..	189.65
North Western Railway	93.88
Oudh and Rohilkhand Railway	151.85
Rohilkund and Kumaon Railway	189.99
South Indian Railway	189.99
Total	1,297.11

Mr. Bhubanananda Das : May I know if Government communicated this Resolution to the Secretary of State and what the opinion of the Secretary of State on the Resolution was ?

The Honourable Mr. A. C. Chatterjee : The Government of India have not yet communicated with the Secretary of State on this subject.

Diwan Bahadur M. Ramachandra Rao : May I ask the Honourable Member when the Government are likely to come to a decision in regard to part (a) of this question ?

The Honourable Mr. A. C. Chatterjee : As soon as possible.

Diwan Bahadur M. Ramachandra Rao : May I know what that means ? Sometimes matters remain pending with Government for five or six years.

The Honourable Mr. A. C. Chatterjee : I do not think this question has been pending for five or six years.

PROVISION OF QUARTERS FOR EUROPEAN, ANGLO-INDIAN AND INDIAN GUARDS OF THE EASTERN BENGAL RAILWAY STATIONED AT SEALDAH.

2082. ***Mr. Amar Nath Dutt :** Will the Government be pleased to state how many European, Anglo-Indian and Indian guards of the E. B. Railway stationed at Sealdah are provided with quarters ?

Mr. C. D. M. Hindley : 46 European and Anglo-Indian guards of the Eastern Bengal Railway stationed at Sealdah are provided with railway quarters, while no Indian guards stationed there are provided with railway houses.

Diwan Bahadur T. Rangachariar : When will the railway companies cease to make this distinction ?

Mr. C. D. M. Hindley : Sir, I am aware that the answer as I have given it implies a discrimination. It is not so in fact. The provision of quarters for railway employees depends on the available supply of quarters in the neighbourhood. There are places where it is not necessary to supply any quarters ; there are other places where it is

essential that they should be provided. I think any one who knows conditions of life in Calcutta will realize at once that there can be no difficulty for Indian guards in obtaining quarters. I would also like to qualify what I have said in my reply with the remark that these quarters are not free quarters ; the occupants pay rent for them.

Mr. Amar Nath Dutt : Were there not repeated memorials submitted to the authorities for free quarters for Indian employees ?

Mr. C. D. M. Hindley : I am not aware at the moment of any such memorial having been sent up. If they asked for free quarters I have no doubt we refused to give them.

Mr. K. C. Neogy : What return do Government get for these quarters ?

Mr. C. D. M. Hindley : I am not in a position to say in regard to these particular quarters.

Mr. K. C. Neogy : Is recovery made according to scale of pay or on the value of the house ?

Mr. C. D. M. Hindley : I think I must ask for notice. I am not prepared to give details of these calculations at the moment.

Mr. K. C. Neogy : Will it be true to say that the rent is merely nominal in most cases ?

Mr. C. D. M. Hindley : No, Sir, it is based on certain calculations in regard to size and the class of house.

Mr. A. Rangaswami Iyengar : May I know the principle on which these calculations are made ?

Mr. C. D. M. Hindley : I cannot say, Sir.

PROVISION OF QUARTERS FOR THE MINISTERIAL AND STATION STAFF OF THE EASTERN BENGAL RAILWAY AT CALCUTTA.

2083. ***Mr. Amar Nath Dutt :** Will the Government be pleased to state how many of the ministerial staff and station staff of the E. B. Railway at Calcutta are provided with quarters ?

Mr. C. D. M. Hindley : No members of the ministerial staff of the Eastern Bengal Railway at Calcutta are provided with Railway quarters, while 42 members of the station staff there are provided with railway quarters.

ELECTRIC INSTALLATIONS AND WATER TAPS IN QUARTERS IN CALCUTTA FOR EUROPEAN, ANGLO-INDIAN AND INDIAN STAFF OF THE EASTERN BENGAL RAILWAY.

2084. ***Mr. Amar Nath Dutt :** Will the Government be pleased to state how many quarters in Calcutta for Indian, European and Anglo-Indian staff of the E. B. Railway are fitted with electric lights and fans and how many water taps are given in each quarter for Europeans and Anglo-Indians and how many for Indians ?

Mr. C. D. M. Hindley : 68 European and Anglo-Indian quarters in Calcutta are fitted with electric installations. No Indian quarters are so fitted. Two water taps are provided in each quarter for Europeans and Anglo-Indians and one in each quarter for Indians.

Electric Installations are provided for staff drawing Rs. 150 or more per month.

Mr. Amar Nath Dutt : Is it a fact that even arrangements for watering gardens are in many cases made in the case of European quarters ?

Mr. C. D. M. Hindley : I do not happen to know the locality very well, Sir, and I cannot say whether water is used in the gardens. I am not sure whether there are any gardens there.

Khan Bahadur W. M. Hussanally : On what principle is electricity supplied to people getting Rs. 150 and not to those getting below that figure ?

Mr. C. D. M. Hindley : The principle is, Sir, that electric installations, as I have already said, are provided for staff drawing a pay of Rs. 150 and above, a purely arbitrary figure.

Khan Bahadur W. M. Hussanally : Why is not supplied to those getting below that figure ?

Mr. C. D. M. Hindley : Obviously, Sir, those railway servants drawing less than Rs. 150 would not be able to pay for the current supplied. It is perfectly obvious I think.

Mr. K. C. Neogy : Is it not a fact that this salary limit excludes a large majority of Indian employees of the railways ?

Mr. C. D. M. Hindley : The ratio of employees drawing Rs. 150 and under to those drawing over Rs. 150 is a very large figure indeed, and therefore by implication the Honourable Member's question must be answered in the affirmative.

Khan Bahadur W. M. Hussanally : Has the Honourable Member any idea as to the cost per lamp per month ?

Mr. C. D. M. Hindley : No, Sir, I might guess, but the guess would not be worth much.

Khan Bahadur W. M. Hussanally : Will it not be only a few annas, less than a rupee per month ?

Mr. C. D. M. Hindley : I have not the slightest idea. I know my own bill is more than a few annas a month.

Khan Bahadur W. M. Hussanally : I believe it will be only six annas and even those employees who get below Rs. 150 can easily afford it.

GRANTS MADE BY THE EASTERN BENGAL RAILWAY TO SCHOOLS FOR EUROPEANS, ANGLO-INDIANS AND INDIANS.

2085. ***Mr. Amar Nath Dutt** : (a) Will the Government be pleased to state how many schools for Europeans, Anglo-Indians and Indians are there aided by the E. B. Railway ?

(b) What amount was paid by the E. B. Railway as aid to schools for Europeans and Indians in 1922 and 1923 ?

(c) Will the Government be pleased to state if there is any difference in the payment of aids to schools for children of employees of State Railways ?

(d) If so, will the Government be pleased to state what is the difference and the reason for such difference ?

Mr. C. D. M. Hindley : The information has been called for and will be furnished to the Honourable Member when received.

Mr. Gaya Prasad Singh : Will the information be laid on the table of the House ?

Mr. C. D. M. Hindley : I have no objection, Sir.

GRANTS FROM THE FINE FUND ON THE EASTERN BENGAL RAILWAY TOWARDS RECREATION CLUBS OF THEIR EMPLOYEES.

2086. ***Mr. Amar Nath Dutt :** (a) Will the Government be pleased to state if there is any Fine Fund in the E. B. Railway ?

(b) If so, will the Government be pleased to state if any portion of it was spent on ball dances ? If so, what is the amount for 1922 and 1923 respectively ?

Mr. C. D. M. Hindley : (a) Yes.

(b) Grants of Rs. 10,175 and Rs. 11,661 were made in 1922-23 and 1923-24 respectively towards recreation clubs maintained for the benefit of the employes. The Committees of the clubs are responsible for spending these grants.

Mr. Amar Nath Dutt : I beg to know whether any special amount is spent for ball dances ?

Mr. C. D. M. Hindley : I do not know, Sir.

Mr. Amar Nath Dutt : Will the Honourable Member be pleased to inquire ?

Mr. C. D. M. Hindley : No, Sir.

Mr. Amar Nath Dutt : Is any portion of this fund spent for Indian employees ?

Mr. C. D. M. Hindley : The grants are made, I believe, to recreation clubs run for the benefit of Indian employees and for European employees.

Khan Bahadur W. M. Hussanally : May I know whether the Honourable Member did actually make an inquiry as regards the specific question asked ?

Mr. C. D. M. Hindley : No, Sir, I made no such inquiry. I have already said that the committees of the clubs are responsible for spending these amounts. We do not propose to take charge here from Simla of the direct management of these recreation clubs.

Mr. Amar Nath Dutt : Will the Honourable Member be pleased to inquire whether any money out of this fund was spent for immoral purposes such as dances ?

(Cries of "Order, order".)

Mr. Chaman Lal : Is it a fact that the grants to these clubs allowed for Europeans is more than that allowed to Indians ?

Mr. C. D. M. Hindley : I am not in a position to answer that categorically, Sir, but feel quite safe in saying that there is no such preference given.

Khan Bahadur W. M. Hussanally : Are Indian employees of railways represented upon these committees which have the disposal of the funds ?

Mr. C. D. M. Hindley : Undoubtedly, Sir. Where a recreation club is run for the benefit of Indians the Indians are represented on the committee.

Mr. Gaya Prasad Singh : Considering the serious nature of the implications involved in this question, do Government propose to make an inquiry ?

Mr. President : The Honourable Member has no sense of proportion. I am very doubtful whether this has any public interest whatever.

REAPPOINTMENT OF RETRENCHED EUROPEANS, ANGLO-INDIANS AND INDIANS ON THE EASTERN BENGAL RAILWAY.

2087. ***Mr. Amar Nath Dutt** : Will the Government be pleased to state how many new hands have been appointed after the retrenchment and how many retrenched hands have been reappointed in the E. B. Railway and how many of them are Europeans, Anglo-Indians and Indians ?

Mr. C. D. M. Hindley : It is not possible to give the information asked for, but the Honourable Member is referred to Annexures A and B to the explanatory Memorandum of the Railway Budget for 1924-25. Similar information is being collected showing the figures of variation in the staff up to April 1924 and these will be published in the forthcoming Administration Report.

APPOINTMENT OF AN ANGLO-INDIAN ASSISTANT STATION MASTER TO OFFICIATE AS TRAFFIC INSPECTOR, LALMONIRHAT, ON THE E. B. RAILWAY.

2088. ***Mr. Amar Nath Dutt** : (a) Are the Government aware that the District Traffic Superintendent, Lalmonirhat of the E. B. Railway recently appointed an Anglo-Indian Assistant Station Master to officiate in place of Traffic Inspector No. 1 Lalmonirhat ?

(b) If so, will the Government be pleased to state if it is a fact that the officiating man has only joined the post of Assistant Station Master about a month from the list of guards ?

(c) If so, will the Government be pleased to state the reason for not putting any one from the rank of Indian Station Masters who have a good record of service ?

Mr. C. D. M. Hindley : (a), (b) and (c). Government have no information. The matter is one which it is within the competence of local Railway officials to decide.

BUILDING OF RAILWAY QUARTERS NEAR A GRAVEYARD AT KURIGRAM ON THE EASTERN BENGAL RAILWAY.

2089. ***Mr. Amar Nath Dutt** : (a) Are the Government aware that the E. B. Railway has acquired a plot of land at Kurigram to shift the present Kurigram railway station ?

(b) If so, will the Government be pleased to state if the land is on the side of a Muhammadan running graveyard ?

(c) If so, will the Government be pleased to state if any objection was raised by the staff to live in quarters to be built near the graveyard ?

(d) If so, will the Government be pleased to state if any land is available on the southern side of the present railway line ?

(e) If so, will the Government be pleased to state if they have selected a site for staff quarters in the newly acquired land ?

(f) If so, will the Government be pleased to state what is the distance between the graveyard and the site for staff quarters ?

Mr. C. D. M. Hindley : (a), (b) and (c). Yes.

(d) It is not known whether any land is available on the southern side of the present railway line.

(e) Yes, but it is understood that the selected site is as far as possible from the nearest edge of the graveyard.

(f) Government are informed that the nearest quarters will be 75 ft. from the edge of the graveyard.

QUALIFICATIONS AND PAY OF MUNSIFFS IN THE PUNJAB AND THE NORTH-WEST FRONTIER PROVINCE.

2990. * **Mr. Abdul Haya :** 1. Is it a fact that previous to the year 1923 the Munsiffs in the Punjab and North-Western Frontier Province used to get Rs. 200 to 300 as their graded pay and were treated as members of the Subordinate Judicial Service ?

2. Is it a fact that the Munsiffs in the Punjab who are now called Sub-Judges have been brought on to the Provincial cadre since January 1923 and their graded pay has been fixed at Rs. 300—30—850 ?

3. Is it a fact that the Munsiffs in the North-Western Frontier Province are still members of the subordinate service and are getting the same old rate of pay, *i.e.*, Rs. 200—300.

4. Is it a fact that the Munsiffs in the North-Western Frontier Province are required to pass the same departmental test as is prescribed for the Sub-Judges in the Punjab ?

5. If the answer to parts Nos. 1 to 4 be in the affirmative will the Government please state the reasons as to why the Munsiffs in the North-West Frontier Province have been differently treated in this matter ?

6. Are the Government prepared to promote the Munsiffs in the North-West Frontier Province to the Provincial Service and increase their salaries and also to grant them arrears from January 1923 ?

Mr. Denys Bray : 1, 2, 3 and 4. Yes.

5 and 6. The present Munsiffs do not possess the same educational qualifications as their confrères in the Punjab. The question of insisting on the same qualifications and of applying the same scale of pay is under consideration.

Khan Bahadur Sarfaraz Hussain Khan : Why are Munsiffs in the North-West Frontier Province paid less than those in the Punjab ? Why this difference ?

Mr. Denys Bray : It is a matter of history, Sir.

INCREASE IN THE NUMBER OF MUNSIFFS IN THE NORTH-WEST FRONTIER PROVINCE.

2091. • **Mr. Abdul Haye** : (a) Is it a fact that most of the districts of the North-West Frontier Province have only one Munsiff stationed at the head-quarters of the district, while in the Punjab a Munsiff has been provided for almost every Tehsil ?

(b) Is the Government aware that in the North-West Frontier Province the litigant public of villages find it very inconvenient to come to the head-quarters of the districts for their cases as very often they have to travel long distances over dangerous and bad roads ?

(c) Is it a fact that in the North-West Frontier Province there are at present only eight posts of Munsiffs ?

(d) Are the Government prepared to increase the number of Munsiffs in the North-West Frontier Province ?

(e) What is the total number of accepted candidates for the post of Munsiffs in the North-West Frontier Province ?

(f) Is it a fact that in most cases such candidates have to wait for five or more years before they are taken into service ?

Mr. Denys Bray : (a) Munsiffs in the North-West Frontier Province are stationed as follows :—Peshawar 2, Mardan 1, Abbottabad 1, Haripur 1, Kohat 1, Dera Ismail Khan 1, Bannu 1, total 8, for five districts and sixteen tahsils.

(b) Government are aware of the difficulties referred to.

(c) Yes.

(d) Government are not at present prepared to increase the number of Munsiffs in the North-West Frontier Province as they consider a larger establishment would in the present circumstances be extravagant.

(e) Twenty-two.

(f) Yes, candidates have to wait many years before appointment.

Khan Bahadur Sarfaraz Hussain Khan : Can Government not improve the qualifications of the Munsiffs ?

Mr. Denys Bray : On our list of candidates there are excellent Munsiffs available.

TRANSFER OF THE OFFICE OF THE ACCOUNTANT GENERAL, CENTRAL REVENUES, TO DELHI.

2092. • **Mr T. C. Goswami** : (a) When is the Jukes Committee's Scheme expected to mature ?

(b) Is it a fact that the office of the Accountant General of Central Revenues is going to be removed to Delhi early in October ?

(c) If so, have the clerks who are to go to Delhi been selected and informed that they have to go to Delhi ? Do the Government propose to give such clerks timely notice to enable them to make arrangements ?

(d) Have any concessions and allowances, permanent or temporary, been granted to those clerks who are to go to Delhi ?

(e) Are Government prepared to consider the advisability of postponing this removal to Delhi pending the Jukes Committee Scheme maturing ?

(f) Are Government prepared to consider the advisability of assigning men to the provincial branch in the province to which they belong ?

(g) Is it not a fact that the conditions of service of the men (except those of recently appointed men) do not render them liable to transfers, and that their salaries are not on an All-India basis ?

The Honourable Sir Basil Blackett : (a) There is no "Jukes Committee." Strictly speaking the rest of the question does not arise but I may inform the Honourable Member that Mr. Jukes is an officer on special duty in the Finance Department with two assistants. As a result of his investigations, various experiments in the separation of audit from accounts are in progress, or are shortly to be in progress, in various parts of India. The date of the conclusion of the special duty must depend upon the results of these experiments.

(b) Yes.

(c) The whole staff will move to Delhi except a portion to be selected within the next few days which will remain in Calcutta. This position is known to the staff.

(d) The Auditor General's proposals regarding the concessions to be granted to the staff which will be transferred to Delhi are at present under consideration.

(e) After full consideration of all the circumstances involved, it has been decided to remove the office in October next.

(f) Of the staff which will be transferred to Delhi in October next, there is no likelihood of any considerable number being retransferred to Calcutta in connection with Mr. Jukes' scheme. If and when the scheme is extended to the provincial accounts in Bengal, men from the office of the Accountant General, Bengal, will have the first claim for transfer to the separate provincial accounts branch.

(g) The clerks and Subordinate Accounts Service men are not liable to transfers (except that the latter are liable to transfer to the Auditor General's office), and their salaries are not on an All-India basis. These facts have been taken into account by the Auditor General in framing his proposed concessions.

FRANCHISE FOR WOMEN.

2093. * **Mr. Bhubanananda Das :** (a) Have Government received a memorandum from Indian women at Simla on the question of women franchise ?

(b) Do Government intend to advise the Reforms Inquiry Committee to inquire into the question of women franchise and to call for evidence of representative Indian women on the question of women franchise ?

Mr. H. Tonkinson : (a) No.

(b) and (c). The question is one for the Committee to determine, but the Honourable Member will presumably have learnt from the press that a representative of the Indian ladies of Simla gave evidence before the Committee on the 26th August.

ALLEGED DISCOURTESY OF GOVERNMENT OFFICERS TO INDIAN WOMEN.

2094. ***Mr. Bhubanananda Das** : (a) Are Government aware of the general tone of discourtesy of some of their officers to Indian womanhood exhibited all over the country ?

(b) Do Government propose to adopt means to prevent repetition of such acts of discourtesy to Indian women ?

(c) Have Government considered the advisability of employing the services of their C. I. D. branch to collect statistics of discourtesy and insults to Indian womanhood offered by their officers ?

Mr. H. Tonkinson : (a) to (c). Government have every reason to believe that there is no truth whatever in the statement in part (a) of the question and consider it needless to devise remedies for imaginary evils.

COST OF PRODUCTION OF THE "MORAL AND MATERIAL PROGRESS REPORT."

2095. ***Mr. M. S. Aney** : Will the Government be pleased to state :

(a) What cost is incurred for publishing a statement for presentation to Parliament in accordance with section 26 of the Government of India each year from 1921-22 to 1923-24 ?

(b) Whether the report prepared by the officer entrusted with the task, is examined carefully by the Government of India or the Secretary of State before it is published and presented to Parliament ?

(c) If so what person or persons official or non-official were entrusted with the duty during each of the following years :

1921-22 and 1922-23 ?

Mr. H. Tonkinson : (a) No accurate statement of cost can be given, since the preparation and publication of the Report is one among the many functions of the office of the Director of Public Information. The cost of printing, after deduction of the proceeds from sales, was about Rs. 5,500 for the 1920 Report and about Rs. 4,500 for the 1921-22 Report. The complete figures for later years are not immediately available.

(b) and (c). The Report is scrutinised by officers of the different Departments of the Government of India and also in the India Office before publication or presentation to Parliament. Neither the Government of India nor the Secretary of State accepts responsibility for any particular expression of opinion.

Mr. M. S. Aney : Are Government aware that the views expressed in this publication are frequently quoted in the British Press and Parliament as being the views of the Government of India ?

* **Mr. H. Tonkinson** : I believe that is a fact, Sir.

Mr. M. S. Aney : If these notes are scrutinized, as is admitted, and if the Government of India are not willing to subscribe to the accuracy of these notes and in view of the affirmative answer just given, what remedy have the Government of India to prevent themselves from being misrepresented in the British Press ?

Mr. H. Tonkinson : I think, Sir, that is a hypothetical question.

Mr. C. Duraiswami Aiyangar : Is the Report for 1923-24 ready ?

Mr. H. Tonkinson : I am afraid I do not know, Sir. (d)

Mr. C. Duraiswami Aiyangar : Will the Honourable Member get the information from Mr. R. H. Williams A.D. 1924 (b)

Professor L. F. Rushbrook Williams : The 1923-24 Report after being scrutinized by the Secretary of State and the Government of India is being printed at the present moment. There has been a certain amount of delay this year owing to the adoption of the revised procedure which enables the Secretary of State to pass the final proofs of the Report before it goes to Press.

Mr. C. Duraiswami Aiyangar : Will the Government be pleased to present that Report before this Assembly before it is submitted to Parliament?

Mr. H. Tonkinson : The Report, Sir, is required to be submitted to Parliament under the provisions of the Government of India Act. I do not think it can very well be laid before this Assembly before it is presented to Parliament.

Mr. C. Duraiswami Aiyangar : May I know whether there is anything in the constitution to prevent its being placed before the Assembly and getting its approval?

Mr. H. Tonkinson : I should like notice of that question.

PREFATORY NOTE TO INDIA IN 1922

Mr. M. S. Aney : (a) (i) What Department of the Government of India is responsible for the Prefatory Note to the report styled "India in 1922-23" by Professor L. F. Rushbrook Williams, M.B.E.?

(ii) Is the attention of the Government of India drawn to the following passage in the prefatory note to the above book:

But it must not be understood that approval of the Secretary of State or of the Government of India extends to every particular to be found in this expression of opinion.

Mr. H. Tonkinson : (a) (i) The prefatory note to "India in 1922-23" was inserted at the instance of His Majesty's Secretary of State for India.

(ii) Government are aware of the passage.

Mr. M. V. Abhyankar : Are the Government going to publish a statement showing what passages in that publication the Government of India are not in agreement with?

Mr. H. Tonkinson : No, Sir.

Mr. M. V. Abhyankar : Are the Government going to instruct the officer concerned hereafter not to publish any passages in that publication with which either the Government of India or the Secretary of State will not be in agreement?

Mr. H. Tonkinson : No, Sir.

THE BUREAU OF PUBLIC INFORMATION

Mr. M. S. Aney : (a) Will the Government be pleased to state whether the publicity officers on duty in different provinces are under the control of the Director of Public Information, Government of India, as regards their duties in respect of publicity?

(b) Will the Government be pleased to publish the list of all the officers in this Department and the amount of their salaries ?

(c) Will the Government be pleased to publish the costs incurred by the Government of India for carrying on the work of publicity during the years 1922-23, 1923-24 and the year 1924 to the end of July ?

Mr. H. Tonkinson : (a) No.

(b) The names of the two officers of the Bureau of Public Information, with their salaries, are given below :

	Rs.
Professor L. F. Rushbrook-Williams, C.B.E., Director	2,000—50—2,250
Mr. R. S. Bajpai, O.B.E., Assistant Director	1,200—50—1,400

(c) The actual cost incurred by the Government of India on the Bureau of Public Information which carries on publicity on All-India subjects has been approximately as follows :

	Rs.
1922-23	1,48,320
1923-24	1,07,369
1924-25 up to the end of July	49,292

These figures do not include cost of printing† which is not met from the Director's budget and is not readily available.

Diwan Bahadur T. Rangachariar : May I ask what has happened to the proposal made by the Publicity Board that Indian graduates should be trained in this publicity work ?

Mr. H. Tonkinson : I must ask for notice of that question, Sir.

Professor L. F. Rushbrook-Williams : I think I can answer that question, Sir, if you will allow me, and explain what has happened to the proposal. The proposal was made prior to the Retrenchment Committee's report, and as a consequence of the general reductions recommended by the Lord Incheape's Committee, the very small budget of the Bureau of Public Information had to bear its share of the reductions made in the Home Department budget. Hence it was no longer found possible to give effect to the proposal. The Finance Department would not find the money.

Diwan Bahadur T. Rangachariar : Will the Finance Department be again approached in view of its extravagant resources now ?

The Honourable Sir Basil Blackett : If I may answer that question, Sir, if I am approached on the ground of extravagant funds, I shall have to say "No" at once.

PUBLICATION OF OFFICIAL CORRESPONDENCE REGARDING THE DEADLOCK IN THE CENTRAL PROVINCES.

2098. ***Mr. M. S. Aney :** Will the Governor General in Council be pleased to publish the correspondence regarding the situation in the Central Provinces created by the resignation of the Ministers and the refusal of supplies by the Council, between :

- (i) Central Provinces Government and the Secretary of State,
- (ii) Government of India and the Secretary of State,
- (iii) Central Provinces Government and the Government of India ?

† Printing charges are met from the budget of the Controller of Printing, etc.

Mr. H. Tonkinson : Government are unable to accede to the request of the Honourable Member.

Mr. M. V. Abhyankar : Will Government be pleased to tell us what action the Government of India propose to take in view of the situation created in the Central Provinces ?

Mr. H. Tonkinson : No, Sir.

CONTRACT WITH MESSRS. A. H. WHEELER AND CO., FOR THE SALE OF NEWS-PAPERS, BOOKS, ETC., ON THE NORTH WESTERN RAILWAY.

2099. ***Lala Duni Chand :** (a) Will Government please inform the House how much they get yearly for the monopoly granted to Messrs. A. H. Wheeler & Co., for sale of newspapers, books, etc., and advertisements, over the entire North Western Railway line ?

(b) Is it a fact that the contract in favour of Messrs. A. H. Wheeler & Co., is renewed every year for the same sum of money without inviting tenders for the same ?

(c) If the reply to part (b) be in the affirmative, will Government state reasons for renewing the contract every year in favour of Messrs. A. H. Wheeler & Co., and not inviting tenders for the same ?

(d) Are Government aware that several persons are prepared to pay them four or five times the amount that the present contractors are paying in case the contract is thrown open to competition ?

(e) Will Government be pleased to give the figures of yearly income of similar contracts in case of all other State-owned Railway Lines ?

Mr. C. D. M. Hindley : (a), (b) and (c). Government are aware that for several years past Messrs. A. H. Wheeler & Co., have held the contract referred to on the North-Western Railway. The contract is within the competence of the Agent of the Railway and Government have no information as to his reasons for renewing it yearly with Messrs. A. H. Wheeler & Co.

(d) No.

It is open to anyone, who wishes, to tender to the Agent, North Western Railway, for the contract.

(e) The yearly income on State-worked lines takes the form of a percentage on sales. Government are not in a position to give information in regard to Company-worked lines.

Lala Duni Chand : Is it a fact that Messrs. Wheeler & Co. refuse to take on their stalls nationalist papers ?

Mr. C. D. M. Hindley : I do not know, Sir.

Lala Duni Chand : Will the Government kindly make inquiries as to that ?

Mr. C. D. M. Hindley : I can make inquiries, but I do not think the matter is of general public interest. Undoubtedly a firm like Wheeler & Co. will sell the papers that they get a sale for. I do not imagine that they will exclude any papers for which there is a sale. At the same time, I will make inquiries on the specific question put to me.

Lala Duni Chand : Is it not a fact that a very large number of travelling public is interested in reading nationalist papers ?

REMOVAL OF POLITICAL PRISONERS FROM THE ANDAMANS TO INDIAN JAILS.

2100. *Sardar Gulab Singh : Will the Government be pleased to state :

- (a) If there are any political prisoners still kept in the Andamans ?
- (b) If so, how many ?
- (c) Do Government contemplate removing them to India at an early date ?
- (d) If not, why not ?

Mr. H. Tonkinson : (a) and (b). Four prisoners convicted of offences connected with political movements are still confined in the Andamans.

(c) Government are trying to arrange for their accommodation in Indian jails.

(d) Does not arise.

Diwan Bahadur T. Rangachariar : When is Government going to abandon the Andamans as a place of confinement ?

Mr. H. Tonkinson : That question, Sir, does not arise, I think, on this question.

Diwan Bahadur T. Rangachariar : I dare say the Honourable Member is aware that it was resolved upon two years ago.

Mr. H. Tonkinson : I am quite aware of that, Sir.

CONTRACT WITH MESSRS. CLEMENTS, ROBSON AND COMPANY FOR THE SUPPLY OF GRAIN TO MILITARY STATIONS IN THE PUNJAB.

2101. *Sardar Gulab Singh : (a) Is it a fact that the Government have entered into a contract with a certain firm called Clements and Robson for the supply of grain, flour and bran, etc., to military stations in the Punjab ?

(b) If so, will the Government please lay on the table or state the terms of the contract and the duration for which the contract has been entered into ?

(c) Is it a fact that the contract entered into will last for three years ?

(d) What were the considerations which induced Government to adopt this new system of grain supply ?

Mr. E. Burdon : (a) Messrs. Clements, Robson and Company have been appointed buying agents for the supply of grain only.

(b) The attention of the Honourable Member is invited to the reply given in the Council of State on the 18th of March last to part (a) of question No. 143, and also to the reply given on the 2nd June 1924 in this Assembly to starred question No. 1143.

(c) Yes.

(d) Efficiency and economy.

SUPPLY OF WHEAT PRODUCTS REQUIRED FOR MILITARY PURPOSES.

2102. *Sardar Gulab Singh : (a) Have the Government received any offers from firms in the Punjab or outside, who would be prepared to supply flour, bran, etc., of the quality needed at a rate of one rupee

(Re. 1) per maund less than the rate at which Government are getting these at present ?

(b) If so is there anything besides the merits of the proposal itself which would stand in the way of Government entertaining it ?

(c) Are the Government aware that buying at such reduced prices will approximately lead to a saving of rupees four lacs per annum to the Government ?

Mr. E. Burdon : (a) A certain mill in Rawalpindi offered to supply wheat products at a rate of Re. 1 per 100 lbs. (and not Re. 1 per maund) less than the price that the wheat products cost Government, but though the mill was asked to submit definite quotations and samples it has not yet done so. I may mention, Sir, that the mill did not know what these products cost them.

(b) Apart from the vagueness of its terms there is a further and insuperable objection to entertaining the offer in question. Government have taken under their control for definite periods a few flour mills for the purpose of manufacturing, from Government wheat, products required for military purposes, and the contracts made with these mills cannot be terminated before the expiry of the stipulated periods.

(c) In view of the fact that, as stated under (a), no definite offer has been made, Government are not in a position to say whether the saving envisaged by the Honourable Member could in actual fact be secured.

PURCHASE OF WHEAT PRODUCTS REQUIRED IN MILITARY CENTRES IN BALUCHISTAN.

2103. ***Sardar Gulab Singh :** (a) Is it a fact that wheat, flour, bran, etc., are supplied to military centres in Baluchistan from Shikarpore and such distant centres ?

(b) Are the Government aware that wheat is invariably cheaper by Re. 1 to Rs. 2 per maund in Baluchistan than in places like Shikarpore ?

(c) What objection have the Government to purchasing these commodities in Baluchistan ?

Mr. E. Burdon : (a) Yes.

(b) No. Government are informed that the fact is the reverse.

(c) None, provided the price, quality and other conditions are favourable.

SYSTEM OF CENTRALISED CRUSHING OF BARLEY AND GRAM REQUIRED FOR MILITARY PURPOSES.

2104. ***Sardar Gulab Singh :** (a) Will the Government please state if it is a fact that according to the present arrangement barley which is produced abundantly in districts of Mardan, Peshawar, etc., in the N. W. F. Province is sent to Lahore and other far districts for crushing and supplied to districts like Rawalpindi, etc., for consumption when the latter are a hundred or more miles nearer the centres of production ?

(b) Is it also a fact that gram which is produced abundantly at stations on the Kundian-Kohat Railway and in the district of Bannu is sent to centres like Lahore, etc., for crushing and supplied to military centres

like Peshawar, etc., which are more than a hundred miles nearer the centres of purchase and production ?

(c) What objection have the Government to making arrangements locally for crushing wherever feasible ?

Mr. E. Burdon : (a) and (b). The answers to these two parts of the question are in the negative.

(c) None, provided that the results are equally satisfactory and economical, a system of centralised crushing is at present in an experimental stage. The experiment has been started at Lahore. Grain is purchased for delivery at the Depôt at competitive rates and, after being crushed, is distributed to such stations as can be economically fed from the Depôt. The experiment having so far proved successful will shortly be extended to Peshawar and Lucknow, and after the system has been given this further trial its results will be carefully reviewed.

GRIEVANCES OF PASSENGERS ON THE EAST INDIAN RAILWAY.

2105. ***Khan Bahadur Sarfaraz Hussain Khan :** (a) Has the attention of Government been drawn to the letter published in the issue of the *Forward* of the 16th August, 1924, page 11, under the heading "Grievance against East Indian Railway" ?

(b) Is the statement made therein correct ?

(c) If correct, do Government intend to issue instructions to the authorities concerned to remove the inconveniences and difficulties complained of ?

Mr. C. D. M. Hindley : (a) Government have seen the letter referred to.

(b) and (c). The matters complained of are such as can suitably be brought to the notice of the Agent through his Local Advisory Committee.

REPORT OF THE INDIAN MERCANTILE MARINE COMMITTEE.

2106. ***Khan Bahadur Sarfaraz Hussain Khan :** Will the Government be pleased to state by what time they expect to consider the Report of the Indian Mercantile Marine Committee, 1923-24 ?

The Honourable Sir Charles Innes : The Report is being considered now, but I regret that I cannot say when Government will be in a position to announce their conclusions.

Khan Bahadur Sarfaraz Hussain Khan : Can they give any idea ?

The Honourable Sir Charles Innes : I have already said that I could not.

GRIEVANCES OF ASSISTANT STATION MASTERS ON THE METRE GAUGE SECTION OF THE MADRAS AND SOUTHERN MAHRATTA RAILWAY.

2107. ***Mr. C. Duraiswami Aiyangar :** (a) Has the attention of Government been drawn to an article published in the *Swarajya* of the 15th August 1924 under the heading "Grievances of Assistant Station Masters" ?

(b) Is it a fact that the assistant station masters in the metre gauge section of the Madras and Southern Mahratta Railway Co., Ltd., are asked to work every night continuously ?

(c) Does the same practice obtain on all railways ?

(d) Do the Government intend to put an end to that practice ?

Mr. C. D. M. Hindley : (a) Government have seen the article referred to.

(b) In stations where the train service is heavy, there are two assistant station masters, and these assistant station masters undertake night duty week and week about. In stations, where the train service is light, the assistant station master takes the night duty. But their duties during the night are intermittent and far less onerous than would be the case if they were employed on day duty for shorter hours.

(c) Government have no detailed information, but they understand that the system of dividing working hours between the station masters and assistant station masters is more or less uniform on railways in India.

(d) Government do not propose to take any action.

PROFIT AND LOSS STATEMENT OF THE WIRELESS BRANCH OF THE POST OFFICE FOR THE LAST THREE YEARS.

2108. ***Pandit Shamlal Nehru :** Will Government be pleased to furnish this House with a Profit and Loss Statement of the Wireless Branch of the Post Office for the last three years ?

The Honourable Mr. A. C. Chatterjee : It is not possible to furnish such a statement as the messages transmitted by wireless form part of the general telegraph traffic which is booked at telegraph offices.

INDIANS IN THE SUPERIOR STAFF OF THE WIRELESS BRANCH.

2109. ***Pandit Shamlal Nehru :** Will Government be pleased to state the number of Indians employed in the Superior Staff of the Wireless Branch ?

The Honourable Mr. A. C. Chatterjee : There are no Indians in the Superior Staff of the Wireless Branch at present. There is a vacancy for an Assistant Divisional Engineer which Government desire to fill by appointing an Indian gentleman with suitable qualifications and an advertisement to this effect has recently been published.

PURCHASE OF APPARATUS FOR THE WIRELESS BRANCHES OF THE DEPARTMENT OF POSTS AND TELEGRAPHS.

2110. ***Pandit Shamlal Nehru :** Will Government be pleased to state the name of the firm from whom Wireless apparatus are bought ?

The Honourable Mr. A. C. Chatterjee : Apparatus required for the Wireless Branch of the Department of Posts and Telegraphs is purchased in India and the United Kingdom from a number of manufacturers according to the particular apparatus required, in the same manner as stores required for any other branch of the Department.

GRANT OF LICENSE TO INDIAN FIRM FOR THE WORKING OF THE INTERNATIONAL WIRELESS.

2111. *Pandit Shamlal Nehru : (a) Is it a fact that a license will soon be granted to an Indian Company for the working of the International Wireless ?

(b) If so will Government be pleased to state if it is a fact that the management of the affairs of the Company will be handed over to a British Company who will employ their staff for the construction and the maintenance of the International Wireless System ?

The Honourable Mr. A. C. Chatterjee : (a) A tender has been received from an Indian Company, but Government have not yet passed orders.

(b) The terms of the tender which was published some months ago, provide not only for the employment of Indian capital but for the provision of Indian management (i.e., by a Board resident in India) and the employment of Indian personnel.

CRITICISM OF THE POLICY OF GOVERNMENT BY THE DIRECTOR OF WIRELESS IN AN INFORMAL DISCUSSION WITH THE RADIO CLUB OF BOMBAY.

2112. *Pandit Shamlal Nehru : Has the attention of Government been drawn to the lecture delivered by the Director of Wireless in Bombay in which he criticised the policy of Government and also the administration of the Department ? If so, will Government be pleased to state if it is proposed to take any action against that officer ?

The Honourable Mr. A. C. Chatterjee : The answer to the first part of the question is in the affirmative. The account in the newspapers was not however a verbatim report of what the Director of Wireless said. I would explain that his remarks were not given in a lecture but in an informal discussion with the Radio Club of Bombay. What he said was that Government had been able to do little as regards commercial wireless development in India as expenditure had to be cut down to an absolute minimum.

With respect to the second part, instructions have been given to the officer concerned to refrain from discussing the policy of Government or the Department in a public or quasi-public gathering.

REDUCTION OF FIRST AND SECOND CLASS FARES ON THE GREAT INDIAN PENINSULA RAILWAY.

2113. *Mr. N. M. Joshi : Will Government be pleased to state whether it is a fact that the Agent of the G. I. P. Railway Company has decided to reduce with effect from the 1st October 1924 the first and second class fares ? If so, did he consider the advisability of reducing the intermediate and third class fares ? If so, has he decided to reduce these fares also ? If so, from what date ? If not, why not ?

Mr. C. D. M. Hindley : The answer to the first part is in the affirmative. The Government have no doubt that the question of reducing intermediate and third class fares was also considered by the Agent, but that he decided that it was not necessary also to reduce these fares. During

1923-24 there was a decrease in the number of passengers carried compared with the previous year. This decrease was particularly heavy in first and second class passengers, and the Agent, no doubt, arrived at the conclusion that the fares were heavier than the traffic could bear. There was a decrease also in the third class passengers, but receipts from that class of passengers increased by Rs. 6½ lakhs over the figures of the previous years.

Dr. K. G. Lohokare : Will the Government consider the advisability of introducing the return tickets system which prevailed in 1913 for third class passengers ?

Mr. C. D. M. Hindley : I do not think this question arises out of the question which has just been answered.

Dr. K. G. Lohokare : Since the reduction of third class fares is not found desirable, are the Government prepared to consider the advisability of introducing at least the return tickets system for these third class passengers ?

Mr. C. D. M. Hindley : Sir, I cannot at the moment give the reference to the answer which has already been given on an exactly similar question. Perhaps the Honourable Member will find it in the records of the House.

PAY OF CLERKS IN THE BOMBAY CURRENCY OFFICE.

2114. ***Mr. N. M. Joshi :** Will Government be pleased to state whether it is a fact, and if so, whether they are aware of it, that in spite of the last two or three revisions in the scales of pay in the Bombay Currency Office, there are cases of clerks who at present draw only between Rs. 80 to 100 after 10 to 18 years' service ? If so, do they propose to reconsider their case and apply the new scale to them with retrospective effect from 1st June 1924 ?

The Honourable Sir Basil Blackett : The answer to the first part of the question is in the affirmative.

The new scale was applied with retrospective effect from 1st June 1924 and each man was started on the new scale at the stage next above his pay on that date on the old scale, and not on the basis of length of service. The latter method has not been applied to other similar offices in connection with recent revisions of pay and the Government of India see no reason to make an exception in the case of the Bombay Currency Office.

SCALES OF PAY IN THE ACCOUNTS OFFICE AND THE CURRENCY OFFICE, BOMBAY.

2115. ***Mr. N. M. Joshi :** (a) Will Government be pleased to state whether it is a fact, and if so, whether they are aware of it, that before the year 1909 the scales of pay in the Bombay Accounts Office and the Bombay Currency Office were the same and that after that year the scale in the former office became more liberal than the latter ? If so, why was this differentiation made and on what ground ?

(b) Will Government be further pleased to state whether they intend to remove this differentiation and equalise, as before, the scales of pay in the two offices ?

The Honourable Sir Basil Blackett : The scales in the Accountant General's and the Currency offices differed materially prior to 1909. The rest of the question does not arise.

INTRODUCTION OF THE PROVIDENT FUND SYSTEM IN THE CURRENCY OFFICE.

2116. ***Mr. N. M. Joshi :** (a) Will Government be pleased to state whether the Provident Fund System is introduced in the Currency Office? If so, is it similar to the one adopted by the Railway Companies and other incorporated bodies?

(b) Will they be further pleased to state whether the staff of the Bombay, Calcutta and Madras Currency Offices have sent any representations to Government requesting them to improve the system and forwarding certain modifications they desire to be introduced? If so, have they been considered and with what result?

The Honourable Sir Basil Blackett : (a) The ordinary pension system is not suitable in the case of employes in the Treasurer's Departments in Currency offices owing to the circumstances arising out of the responsibility of Treasurers for the valuables handled in the course of the daily transactions. The following scheme is accordingly in force in these departments :

- (1) Subscriptions to the General Provident Fund are compulsory, these being returned to the employes on retirement with the usual addition for interest.
- (2) Each employe is required to insure with an insurance company approved by the Controller of the Currency against any loss up to the amount of the security fixed for the appointment which he holds.
- (3) On the retirement of the employe a bonus, calculated at the rate of one-twelfth of the monthly substantive pay of the posts held by him throughout his service is granted, and, in addition, such portion of the amount of the premia paid by him as is not refunded by the Insurance Company is reimbursed to him. This bonus is granted on the same conditions as govern the grant of pensions.

The above scheme is different from the provident system which obtains in Railway companies and other bodies.

(b) Representations were received regarding the scheme, but it was considered that it was suited to the circumstances of the case and sufficiently liberal, and that no change was required.

SCALE OF FURNITURE SUPPLIED TO MEMBERS OF THE LEGISLATURE OCCUPYING QUARTERS ON THE CART ROAD, SIMLA.

2117. ***Mr. N. M. Joshi :** (a) Will Government be pleased to state whether they are aware that the furniture supplied to the Members on the Cart Road is much less than what used to be supplied to them formerly and have they received complaints that it is inadequate and insufficient? If so, have they so far taken any steps to remove this inconvenience of the Members? If not, why not?

(b) Will they be further pleased to state whether they made any inquiries about the inadequacy and insufficiency of the furniture supplied after the special sessions of the Indian Legislature in May last?

If so, whom did they inquire of and what was the decision to which the Government came? Will they be pleased to state whether they consulted any of the Members of the Legislature who generally stay there? If not, why not?

(c) Are Government prepared to take immediate steps to remove this complaint of the Members and supply them with adequate furniture with due regard to their requirements? If not, why not?

The Honourable Mr. A. C. Chatterjee : Sir, the answer to this question is rather long and tedious. I would, therefore, lay it on the table if the Honourable Member has no objection.

(The answer was laid on the table.)

(a) The quarters on the Cart Road are furnished in accordance with a fixed scale which is considered suitable for single quarters. In addition to this, the local P. W. D. authorities keep a small stock of furniture which is available for hire to Members who wish to supplement the fixed scale. Ever since the quarters were constructed, the fixed scale of furniture for each set of quarters has been the same. The amount of furniture available for hire, however, varies from time to time according to demands. A complaint was recently received from the Honourable Member himself and has been replied to.

(b) Inquiries were made as a result of which Government are satisfied that the scale of furniture is adequate provided that the quarters are used in the way in which it is intended that they should be used, *viz.*, as single quarters. Any complaints which have been received regarding the insufficiency of furniture have come from Members who have wished to accommodate other persons in the quarters and not use them as single quarters. In view of what is stated in reply to part (c) of this question Government did not consider it necessary to consult Members of the Legislature.

(c) Government are not prepared to increase the fixed scale of furniture. What is now supplied compares in their opinion favourably with what is given in hotels. Moreover Government have no desire to encourage Members occupying single quarters to find accommodation in these quarters for others, a practice which would tend to interfere unduly with the legitimate trade of the local hotels.

REPRESENTATION OF THE LOCAL PASSENGER AND TRAFFIC RELIEF ASSOCIATION ON THE ADVISORY BOARD OF THE NORTH WESTERN RAILWAY.

2118. **Mr. Harchandrai Vishindas :** (a) Are Government aware of the representation made to the Agent, North Western Railway, Lahore, pursuant to a resolution passed at a public meeting held in Karachi on the 24th November last, to enrol a representative of the local Passenger and Traffic Relief Association on the Railway Advisory Board and that in spite of reiterated reminders no reply of any kind has been vouchsafed?

(b) Are Government aware that this Association has rendered valuable service by ventilating the grievances, the discomforts and the needs of the travelling public?

(c) Are Government aware that the B., B. and C. I. Railway have decided to include this Association on their Advisory Board?

(d) If so, are Government prepared to consider the utility and desirability of conceding to the Association the same right on the North Western Railway ?

Mr. C. D. M. Hindley : (a) Government are aware that this question was considered at a meeting of the Karachi Advisory Committee of the North Western Railway. Action, however, was deferred, until the Agent had received a reply to a letter he had addressed to the President of the Association asking for certain information.

(b) Government are aware that many Associations of this kind render useful service in the direction indicated by the Honourable Member.

(c) No, but Government are aware that the representative of the Bombay Municipality on the Bombay, Baroda and Central India Railway Advisory Committee is also Secretary of the Passenger Association, Bombay.

(d) The Honourable Member is referred to the reply given in this Assembly on 3rd September, 1924, to item (e) of Mr. Bhubanananda Das's question No. 1619, but they will inquire from the Agent what further action has been taken in the matter.

COLLECTION OF SUBSCRIPTIONS FOR THE NORTH WESTERN RAILWAY UNION
BY THE RAILWAY AUTHORITIES.

2119. ***Mr. Harchandrai Vishindas :** Will Government be pleased to state :

(a) If it is a fact that for some time subscriptions for the North Western Railway Union were collected by the railway authorities by deducting the same from the salary bills of the railway servants who were members of that Union ?

(b) If so, how long did this practice last and when was it discontinued ?

(c) Whether the Government have been approached by the Union for its revival ?

(d) If so, whether Government propose to accede to this request ?

Mr. C. D. M. Hindley : (a) Yes.

(b) For one year. It was discontinued in 1922.

(c) and (d). No.

GRANT OF COMPENSATORY ALLOWANCES TO EMPLOYEES OF THE NORTH
WESTERN RAILWAY STATIONED AT KARACHI.

2120. ***Mr. Harchandrai Vishindas :** Will Government be pleased to state what recommendation, if any, has been made by the Agent, North Western Railway, for the grant of compensatory allowance to employees stationed at Karachi ?

Mr. C. D. M. Hindley : The matter referred to by the Honourable Member is at present under the consideration of Government who are not prepared to make any statement as regards the recommendations which may have been made to them.

TERMS OF AGREEMENT FOR ALL CLASSES OF STAFF OF THE NORTH WESTERN
RAILWAY.

2121. ***Mr. Harchandrai Vishindas :** Will Government be pleased to state the terms of agreement the following classes of servants on the North

Western Railway are required to accept before appointment to the various grades ?

(a) Officers, (b) Superior subordinate staff, (c) Menial staff, (d) Workmen.

Mr. C. D. M. Hindley : (a), (b), (c) and (d). There are necessarily different forms and terms of agreement for different classes of staff and a comprehensive reply would be very voluminous. If the Honourable Member will specify the particular points in regard to which he requires information it will be sent to him.

INADEQUACY OF QUARTERS FOR THE MENIAL STAFF OF THE NORTH WESTERN RAILWAY.

2122. **Mr. Harchandrai Vishindas :** (a) Will Government be pleased to state standard dimensions of quarters allotted to the various classes of employees on the North Western Railway both Indian and European ?

(b) Are Government aware that the accommodation in quarters intended for the menial staff is entirely inadequate to the ordinary creature comforts of this class ; there being absolutely no kitchen accommodation and the bathrooms and latrines being so situate as to deprive the womenfolk of the necessary privacy ?

Mr. C. D. M. Hindley : (a) A statement giving the standard dimensions of quarters allotted to the various classes of employees on the North Western Railway, both Indian and European, is laid on the table.

(b) The North Western Railway type of quarters for menials, provides one room, a verandah and a courtyard. Kitchen accommodation is provided on one side of the verandah. These quarters are usually built in blocks of several units and have no latrines or bath rooms attached to them. They are served by communal latrines and water taps or wells close by.

Government consider these arrangements to be sufficient.

Serial No.	Designation of occupant.	Dimensions.	REMARKS.
1	Quarters for Indian Subordinate Technical staff, workmen and labourers, i.e., Chhaprasies, Khalasies, Gangmen, etc.	1 Room .. 10' × 10' Verandah .. 11' × 4' Court yard .. 135 s. ft. Plinth .. 29' × 11' 10½"	Also includes Kitchen.
2	Junior Indian Subordinates Quarters, i.e. Drivers, Guards, Carriage Examiners, Clerks and Signallers.	1 Room .. 15' × 12'. 1 Bath room .. 7' × 5'. 1 Kitchen .. 7' × 4' 9½". 1 Latrine .. 5' × 5'. Verandah .. 15' 6½" × 7' 7" Court Yard .. 300 s. ft. Plinth .. 46' 9" × 17' 3". 6' 6" × 5' 9".	

Serial No.	Designation of occupant.	Dimensions.	REMARKS.
3	Indian Subordinates Quarters, i.e. Assistant Station Masters, Junior Station Masters, Inspector of Works and Sub-Way Inspectors.	2 Rooms .. 1 × 15' × 12'. .. 1 15' × 10'. 1 Bath room .. 7' × 5' 1 Kitchen .. 7' × 4' 9½". 1 Latrine .. 5' × 5'. Verandah .. 15' × 6½" 8' 7". Court yard .. 300 s. ft. Plinth .. 59' 9" × 17' 3". .. 6' 6" × 5' 9".	
4	Senior Indian Subordinates Quarters, i.e., Senior Station Masters 1st and 2nd Class Stations.	2 Rooms .. 14' × 12' each. 1 Sitting room .. 10' × 8'. 1 Bath room .. 5' × 5'. 1 Kitchen .. 8' × 8'. 1 Godown .. 8' × 5½'. 1 Latrine .. 5' × 5'. Verandah .. 20' 2¼" × 8' 1½". .. 8' × 4'. Court yard .. 300 s. ft. Plinth .. 30' 9½" × 40' 7". .. 6' 6" × 5' 9".	
5	Junior European and Anglo-Indian Guards, Drivers, firemen and shedmen's (Bachelors) Quarters.	1 Room .. 16' × 16' 1 Bath Room .. 8' × 8'. 1 Godown .. 14' × 8'. Verandah .. 240 s. ft. Plinth .. 22' 1½" × 37' 3".	
6	European and Anglo-Indian Guards and Drivers' (Married) Quarters	2 Bed rooms .. 16' × 14' each. 1 Dining room .. 16' × 16'. 2 Bath rooms .. 13' × 8'. 2 Godowns .. 8' × 8'. Verandah .. 470 s. ft. Plinth .. 67' 6" × 27' 2½".	
7	European and Anglo-Indian Guards and Drivers' (Bachelors) Quarters.	2 Rooms .. 16' × 16' each. 2 Bath rooms .. 8' × 8'. Verandah .. 136 s. ft. Plinth .. 54' 4½" × 17' 3½".	
8	European and Anglo-Indian Platform Inspectors' Quarters.	2 Rooms .. 16' × 14' each. 1 Sitting room .. 16' × 16'. 2 Bath rooms .. 9' × 8' each. Verandah .. 711 s. ft. Plinth .. 48' 3" × 37' 3".	
9	European and Anglo-Indian Senior Permanent way Inspectors and Loco. Foremen's quarters.	2 Bed rooms .. 16' × 14' each. 1 Sitting room .. 16' × 16'. 1 Dining room .. 16' × 16'. 1 Pantry .. 9' × 8'. 2 Bath rooms .. 10' × 9' each. 1 Godown .. 9' × 8'. Verandah .. 630 s. ft. .. 54' 4½" × 45' 3". Plinth .. { 37' 1½" × 8' 1½".	

Serial No.	Designation of occupant.	Dimensions.	REMARKS.
10	Quarters for Senior most Guards, Drivers, etc. (European and Anglo-Indians).	2 Bed rooms $1\ 16' \times 14'$ $1\ 16' \times 16'$ 1 Sitting room $16' \times 16'$ 1 Dining room $16' \times 16'$ 1 Pantry .. $10' \times 8'$ 2 Bath rooms $\left\{ \begin{array}{l} 10' \times 8' \\ 9\ 4\frac{1}{2}' \times 8' \end{array} \right.$ 2 Godowns .. $7\ 4\frac{1}{2}' \times 6'$ Verandah .. 276 s. ft. Plinth .. $35\ 2\frac{1}{4}' \times 54\ 4\frac{1}{4}'$	
11	European and Anglo-Indian Senior Subordinates Quarters.	3 Bed rooms $\left\{ \begin{array}{l} 1\ 16' \times 17\ 6'' \\ 2\ 13' \times 16\ 6\frac{3}{4}'' \end{array} \right.$ 1 Sitting room $16' \times 16'$ 1 Dining room $16' \times 16'$ 1 Pantry .. $9' \times 8'$ 3 Bath rooms $\left\{ \begin{array}{l} 2\ 10' \times 7\ 5\frac{1}{4}'' \\ 1\ 10' \times 8' \end{array} \right.$ 2 Godowns .. $\left\{ \begin{array}{l} 10' \times 8' \\ 9' \times 8' \end{array} \right.$ Verandah .. 725 s. ft. Plinth .. $54\ 4\frac{1}{4}' \times 53\ 4\frac{1}{4}'$	
12	<i>Intermediate type</i> for Europeans and Anglo-Indians.	3 Bed rooms $\left\{ \begin{array}{l} 2\ 16' \times 13' \\ 1\ 16' \times 17\ 6'' \end{array} \right.$ 1 Sitting and Dining room. $16' \times 26'$ 1 Pantry .. $8' \times 8'$ 3 Bath rooms $\left\{ \begin{array}{l} 2\ 10' \times 7\ 9\frac{3}{4}'' \\ 1\ 10' \times 8\ 5\frac{1}{4}'' \\ 1\ 10' \times 7\ 2\frac{1}{4}'' \end{array} \right.$ 2 Godowns .. $\left\{ \begin{array}{l} 1\ 8' \times 8' \\ 1\ 8' \times 8' \end{array} \right.$ Verandah .. 667 s. ft. Plinth .. $\left\{ \begin{array}{l} 47\ 3'' \times 26\ 3'' \\ 51' \times 27\ 1\frac{1}{4}'' \end{array} \right.$	
13	Servants' Quarters (out houses).	1 Room .. $10' \times 8'$ Court yard .. $10' \times 8'$ Kitchen .. $12' \times 12'$ Verandah .. $12\ 9'' \times 9'$	Attached to above.

HOURS OF WORK, ETC., OF THE STAFF OF THE NORTH WESTERN RAILWAY.

2123. **Mr. Harchandrai Vishindas** : (a) Is it a fact that in certain places and certain branches of the North Western Railway the maximum of 60 working hours in the week agreed upon by the authorities is now being exceeded ?

(b) Will Government further state if owing to lack of sufficient relieving hands the staff is being subjected to severe restrictions in the matter of leave due to them though such leave is required for urgent private affairs ?

(c) Do Government propose to take steps to remedy the above state of affairs.

Mr. C. D. M. Hindley : (a) As the Honourable Member does not mention either the particular locality or staff to which he refers Government are not able to say whether there is ground for the statement made. It may, however, be explained that it has not been found possible to apply the limitations referred to in the case of staff directly engaged in the running of trains.

(b) and (c). Government have no information which would lead them to suppose that such is the case.

WEARING OF KHADDAR BY GOVERNMENT SERVANTS.

2124. ***Pandit Harkaran Nath Misra** : Will the Government be pleased to state :

(a) Its policy with regard to the wearing of Khaddar by Government servants.

(b) To state if any instructions have been issued to the Local Governments about the wearing of Khaddar by Government servants ?

The Honourable Sir Alexander Muddiman : (a) Government do not object to their servants wearing clothes composed of any material, provided that they are clothed in a manner suitable to the office they hold.

(b) No instructions to Local Governments have been issued in the matter.

RAILWAY OFFICES TO REMAIN AT LUCKNOW AFTER THE AMALGAMATION OF THE EAST INDIAN RAILWAY WITH THE O. & R. RAILWAY.

2125. ***Pandit Harkaran Nath Misra** : Will the Government be pleased to state what railway offices will remain at Lucknow after the amalgamation of the O. and R. R. with the E. I. R. ?

Mr. C. D. M. Hindley : The question is under the consideration of Government but the proposals are not sufficiently mature to enable definite information to be given on the subject.

Pandit Harkaran Nath Misra : Will the Government kindly give this information as soon as they are in a position to do so ?

Mr. C. D. M. Hindley : I think the Honourable Member might put down a question to that effect later on.

SEPARATION OF JUDICIAL AND EXECUTIVE FUNCTIONS.

2126. **Pandit Harkaran Nath Misra** : Will the Government be pleased to state what steps have been taken on the report of the Local

Government of the United Provinces of Agra and Oudh on the separation of the executive and judicial functions ?

The Honourable Sir Alexander Muddiman : The Honourable Member is referred to the answers given to Mr. Gaya Prasad Singh's unstarred questions Nos. 78—80 on the 11th February 1924 and to Maulvi Muhammad Yakub's starred question No. 939 on the 24th March 1924. No action has so far been taken. The final views of the Government of Madras which were being awaited have just been received and the schemes will now be considered by the Government of India.

BRITISH VICE-CONSUL AT DUZDAB.

2127. ***Sardar Kartar Singh** : (a) Will the Government be pleased to state if the British Vice-Consul at Duzdab is directly under the Government of India or under the control of the A. G. G., Baluchistan ?

(b) Do the appeals from the orders of the British Vice-Consul lie to the Government of India or to the A. G. G., Baluchistan ?

Mr. Denys Bray : (a) Under neither. As a Vice-Consul, he is subject, like all Consular Officers in Persia, to the authority of His Majesty's Minister at Tehran. He is also subject to the general supervision of His Majesty's Consul for Sistan and Kain as Supervising Consul.

(b) Appeals from judicial orders of the British Vice-Consul lie to the Court of the Political Resident in the Persian Gulf in his capacity as Sessions Judge.

RELEASE OF SIKH PRISONERS CONVICTED FOR WEARING *Kirpans*.

2128. ***Sardar Kartar Singh** : (a) Has the attention of the Government of India been drawn to an important judgment of the Lahore High Court (delivered by the Hon. Mr. Justice Scot Smith and the Hon. Mr. Justice Harrison) reported in the Indian Law Reports, 5, Lahore, page 308, in a case arising under the Arms Act, in which the Hon. Judges have held that the word '*Kirpan*' as used in Schedule II, 3 (6) of the Indian Arms Act, can only be understood and read as meaning a 'Sword' and therefore a Sikh possessing or wearing one sword commits no offence ?

(b) Are the Government aware that several Sikhs are even now undergoing imprisonment in the various jails throughout India for having been found in possession of a *Kirpan* or a sword ?

(c) In view of the above mentioned decision of the Lahore High Court do the Government propose to order the immediate release of all such Sikh prisoners ?

Mr. Tonkinson : (a) Yes.

(b) Government have no information in the matter.

(c) Does not arise.

Sardar Kartar Singh : Will Government be pleased to inquire whether any such persons are undergoing imprisonment nowadays ?

Mr. H. Tonkinson : I think that is a question to be addressed to the Local Government rather than to the Government of India.

Mr. Chaman Lall : Will Government consider the advisability of suggesting the release of the "*Kirpan*" prisoners in view of this judgment under which the original offence for which these men went to prison is declared to be no offence at all ?

Mr. H. Tonkinson : That is a question for the Local Government.

Mr. Chaman Lall : Does the Honourable Member wish the House to understand that the Government of India is not a humane Government ?

Mr. H. Tonkinson : No, Sir.

Mr. Chaman Lall : Or that it is not a just Government ?

Mr. H. Tonkinson : No, Sir.

Mr. Chaman Lall : Or that it is a foolish Government ?

FORMATION OF A COMMITTEE TO INQUIRE INTO SIKH GRIEVANCES.

2129. ***Sardar Kartar Singh** : (a) Will the Government be pleased to state, what action, if any, has so far been taken on the Resolution passed by the Legislative Assembly on 26th of February 1924, re the appointment of a Committee consisting of official and non-official members of the House to inquire into the causes of discontent prevailing among the Sikh community, and to report on what measures should be adopted to remove the same ? If not, why not ?

(b) Is it a fact that the formation of such a Committee has been under the contemplation of the Government of India ?

Mr. H. Tonkinson : The Honourable Member is referred to the answer given by the Honourable the Leader of this House to Sardar Gulab Singh's unstarred question No. 307.

Mr. Chaman Lall : Are Government aware that a statement has been issued to the press in which it is alleged that Government did give a definite undertaking to inquire into the causes of discontent prevailing among the Sikh community, and that Government subsequently went back on that undertaking ?

Mr. H. Tonkinson : I must ask for notice of that question, Sir.

THE BIRDWOOD COMMITTEE.

2130. ***Sardar Kartar Singh** : (a) Was the announcement of the appointment of the Birdwood Committee by the Punjab Government made in consultation with or under the direction of the Government of India ? What was the personnel of that Committee and what were the terms of reference ?

(b) Was the Government of India informed from time to time as to the progress made by the Birdwood Committee in carrying out the terms of their reference ?

(c) Was any non-official elected Member of the Legislative Assembly appointed or requested to serve on the said Birdwood Committee, if not, why not ?

Mr. H. Tonkinson : I am not prepared to add to the statements made by the Government of the Punjab on the subject.

QUALIFICATIONS FOR THE MUNICIPAL FRANCHISE IN MAURITIUS.

2131. ***Mr. Gaya Prasad Singh** : (a) Has the attention of the Government been drawn to a communication headed "Indians in Mauritius" over the signature of Pandit Benarsi Dass Chaturvedi, and published in the *Servant* of the 16th January 1924 ?

(b) Is it a fact that Mr. Lutchmaya of Mauritius, was coming up to India, but he was forced to land at Zanzibar, and was kept confined in the Central Jail there for about a month, as a "lunatic" ?

If so how was he declared as a lunatic, and did any doctor examine him ? If so, will the Government be pleased to lay a copy of the doctor's certificate, if any, on the table ?

(c) Is it a fact that Mr. Lutchmaya had started a co-operative credit society in Mauritius ; but it had to be closed owing to the hostile attitude of the authorities who sided with the factory owners ?

(d) Is it a fact that a resolution has been passed in the municipal corporation at Port Louis that only those peoples should be allowed to vote, who have knowledge of English or French and that this resolution has been sent to Downing Street for final sanction ?

(e) Is it a fact that most Indians in the island know only the Indian vernaculars *Bhasha* (Hindi, Tamil and Telugu) ?

Mr. J. W. Bhore : (a) The reply is in the affirmative.

(b) No. Mr. Lutchmaya en route Durban to India irregularly landed at Zanzibar. He was discovered to be insane by the Zanzibar authorities and was detained by them in an asylum. This action was taken on the strength of a certificate evidently issued by a doctor, but the Government of India regret that they have no copy of the document.

(c) The information desired by the Honourable Member is not available.

(d) and (e). The matter will be investigated and the result communicated to the Honourable Member in due course.

ALLEGED MALPRACTICES OF LABOUR RECRUITERS.

2192. ***Mr. Gaya Prasad Singh :** (a) With reference to my starred question No. 1379 of the 9th June 1924 regarding an article which appeared in the "Servant" of the 25th October 1923, will the Government be pleased to make a statement regarding the occurrence mentioned in the said paper ?

(b) Is it a fact that a Brahman boy named Chotay Lall was enlisted as a recruit under false pretexts, and was kept in confinement against his will in October 1923 at Benares ; but he was subsequently released at the intervention of Dr. Mani Lal, Bar-at-Law ?

(c) Is it a fact that a complaint was lodged on behalf of the boy Chotay Lall at Chetgunj Police Station in Benares, but no action was taken by the police in the matter ?

Mr. J. W. Bhore : Inquiries are being made and the result will be communicated to the Honourable Member in due course

REPORT OF THE FIJI DEPUTATION.

2193. ***Mr. Gaya Prasad Singh :** (a) Has the attention of the Government been drawn to a letter published in the "Forward" of the 12th June 1924 over the signature of Pandit Benarsi Dass Chaturvedi on the subject of the Fiji deputation ?

(b) What is the date on which the report of the Indian deputation to Fiji was submitted ?

(c) When do the Government intend to publish the report ?

(d) Is it a fact that the Colonial Office has taken strong objections to certain views expressed in the report ?

(e) Will the Government be pleased to lay on the table communications on the subject which may have passed between the Colonial Office and the Government of India ?

Mr. J. W. Bhore : (a) The reply is in the affirmative.

(b) In September 1922.

(c) The question of publication is still under consideration.

(d) and (e). In view of the answer given to part (c) of the question I hope that the Honourable Member will not press for an answer.

RECRUITMENT OF LABOUR FOR THE TEA GARDENS IN ASSAM.

2134. ***Mr. Gaya Prasad Singh :** (a) Will the Government be pleased to lay on the table a copy of the rules, if any, under which recruitment of labour for employment in the tea garden of Assam is conducted ?

(b) How many depots have they got in India, and at what places ?

The Honourable Mr. A. C. Chatterjee : (a) The provisions relating to the recruitment of labour for the Assam Tea Gardens are contained in the Assam Labour and Emigration Act, 1901, as subsequently amended and subject to modifications contained in notifications. The only form of recruitment now permitted is by garden-sardars duly accredited to licensed local Agents. No rules have been issued by the Government of India in this connection, but a number of rules have been published by the local Governments.

(b) Government maintain no depots for recruitment. Officers for the protection of emigrants are stationed at Calcutta, Goalundo, Naihati, Asansol and Kharagpur in Bengal, and at Dhubri, Gauhati, Tezpur and Dibrugarh in Assam.

PURCHASE OF GOVERNMENT STORES FROM THE UNITED KINGDOM.

2135. ***Mr. K. C. Neogy :** (a) Has the attention of Government been drawn to an article by Mr. Harold Cox reprinted in the *Statesman* of the 12th August 1924 on the topic of British trade with India ?

(b) Will Government be pleased to state whether the figure of £8,600,000 a year as against £7,000,000 before the war mentioned by Mr. Harold Cox as the purchases by India from the United Kingdom includes orders for Government stores for Government and public bodies as well as for plant, equipment and other items on capital account ?

(c) Will Government be pleased to lay on the table a statement of the value of the orders placed in the United Kingdom for stores for Government and public bodies including railways as well as for plant, etc., on capital account for the last five years ?

(d) Will Government be pleased to state the amount of purchases of supplies during the last year for which complete accounts are available ?

(e) Will Government be pleased to state whether the Army Department has got any inspection officers with expert knowledge of items to be purchased ?

(f) Will Government be pleased to lay on the table any order, circular or correspondence on the subject of purchase of stores in India and from the Stores Department by (a) State-worked and (b) State-owned Railways ?

(g) When do Government expect action to be taken on the matter of stores policy and with regard to the passing of all indents through the Indian Stores Department, so far as the purchases for railways are concerned ?

(h) Will Government be pleased to state what facilities have individual officers for purchases for railways for inspection, testing or special knowledge of the articles which they are asked to purchase ?

The Honourable Mr. A. C. Chatterjee : (a) Government have seen the article referred to.

(b) The figures mentioned by Mr. Harold Cox in the article referred to are £86,000,000 and £70,000,000 and not £8,600,000 and £7,000,000, as stated by the Honourable Member. The figure £70,000,000 does not include the value of Government stores. The figure £86,000,000, which relates to the year 1923, probably does, but it is not possible to verify this as the Statement of the Trade of the United Kingdom for 1923, from which Mr. Harold Cox has apparently quoted, has not yet been received. The total imports of merchandise from the United Kingdom in 1923 including the value of Government stores works out to £87,000,000 at Rs. 15=£1.

(c) Information in the exact form required by the Honourable Member is not available, but his attention is invited to pages 73—76 of the Home Accounts of the Government of India for the year 1922-23, the latest available (a copy of which is in the Library) which gives a summary of payments made during that year for stores procured through the High Commissioner for shipment to India by the Central Government and the different provincial Governments. The Statement includes expenditure on stores not charged to revenue. Similar figures for previous years are given in the Home Accounts of each year, copies of which are not available in the Library but will be lent to the Honourable Member if he so desires.

(d) As already stated, information in the exact form required by the Honourable Member is not available. As regards value of stores obtained through the High Commissioner the Honourable Member's attention is again invited to the Home Accounts for the year 1922-23. The value of purchases made in India during that year by the Central Government including State Railways and the provincial Governments amounts to Rs. 11,28,65,000. As explained by me on the 4th February 1924, in reply to question No. 88 by Mr. Jinnah, these figures do not include the value of certain classes of purchases.

(e) The reply is in the affirmative.

(f) In their letter No 1644-S., dated the 28th May 1924 the Railway Board addressed the State-worked railways, impressing on them the importance of carrying out the policy laid down in the new Stores Purchase Rules, a copy of which is available in the Library. The Railway Board also sent copies of the new rules to the Agents of Company-worked railways. The Board have no doubt that the policy of the Government of India will be given full effect to on those railways. In their letter No. 2574-S., dated the 18th August 1924, the Railway Board drew the

attention of the State-worked railways and also the East Indian and Great Indian Peninsula Railways to the desirability of making greater use of the Indian Stores Department in respect of the inspection and purchase of certain classes of stores. Copies of the communications referred to are laid on the table.

(g) Copies of all English indents are sent by State-worked railways to the Indian Stores Department, who advise the railways concerned regarding any articles included in their English indents which are manufactured in India and can suitably be purchased here. Company-worked railways, in accordance with the terms of their contracts with the Secretary of State for India in Council, make their own arrangements for the purchase of stores.

The action taken by the Railway Board, which will be clear from the letters addressed to Agents of State Railways, and to the Agents of the East Indian and Great Indian Peninsula Railways, dated the 18th of August 1924, to which I have just referred, will, the Government of India feel sure, lead to a considerable expansion of the practice of utilising the services of the Indian Stores Department for the purchase of railway stores.

(h) In a large number of cases the purchasing officer has all necessary facilities for inspecting and testing articles purchased in India for railways, and, where necessary or advisable, he is able to enlist the services of the Inspection Branch of the Indian Stores Department. Where special knowledge or experience is required, the purchasing officer can, and always does get the advice of the departmental officers who are concerned in the use of the article.

Letter from the Secretary, Railway Board, to the Agent, North Western, Oudh and Rohilkhand, and Eastern Bengal Railway; the Engineer-in-Chief, the Central Indian Coalfields Railway, Delhi (New Capital) Railway Works Scheme, and Najangud Tellicherry Railway, No. 1644-S., dated Simla, the 28th May 1924.

I am directed to forward for your information and careful observance a copy of the Government of India's Resolution No. S-217, dated the 6th May 1924, in the Department of Industries and Labour with its enclosure, promulgating the rules which will henceforth regulate the purchase of stores for the public service. I am to impress upon you the importance which the Government of India attach to all officers under your control carrying out the policy laid down in the preamble to these rules. The Railway Board desire that not only shall these rules be strictly adhered to, but that all concerned shall be instructed loyally to observe the policy underlying them.

Letter from the Secretary, Railway Board, to the Agent, East Indian, Bengal Nagpur, Madras and Southern Mahratta, South Indian, Great Indian Peninsula, Bombay, Baroda and Central India, Bengal and North Western, Rohilkhand and Kumaon, Assam Bengal and Burma Railways, No. 1644-S., dated Simla, the 28th May 1924.

I am directed to forward a copy of the Government of India's Resolution No. S-217, dated the 6th May 1924, in the Department of Industries and Labour, with its enclosures, promulgating the rules which will henceforth regulate the purchase of stores for the public service. I am to ask you to communicate a copy of the Resolution and the rules to your Home Board. The Railway Board feel confident that the Home Board will recognise that the policy laid down in these new rules has been deliberately adopted by the Government of India and that they will realise the necessity of seeing that this policy is given full effect to on your railway.

Letter from the Secretary, Railway Department (Railway Board), Simla, to the Agents, North Western, Oudh and Rohilkhand, and Eastern Bengal Railway, No. 2574-S., dated the 18th August 1924.

I am directed to invite your reference to my letter No. 1644-S., dated 28th May 1924, forwarding with remarks a copy of the Government of India's Resolution in the Department of Industries and Labour No. S.217, dated 6th May 1924, and to say that the Railway Board have for some time past been considering how, without derogating from the responsibility of the Agents of railway administrations for the efficient and economical management of the railway systems in their charge, a greater use than at present can be made of the facilities which the Indian Stores Department are now in a position to offer for the inspection, test and purchase of railway stores. The actual facilities which the Indian Stores Department can now provide are summarised in the annexure to this letter.

2. I am to refer first to the question of purchase. The Indian Stores Department make at present a charge of one per cent. on the cost of articles purchased by them. But you will readily realise that a widespread organisation may, from their intimate acquaintance with a large range of markets, and the ability to place orders in bulk which their position as buying agents for many departments and Provincial Governments gives them, be in a position to obtain more favourable quotations, especially for certain classes of stores, than any individual railway can be, and that the resultant economy may more than offset, the commission now charged by the Stores Department, the amount of which may possibly be reconsidered in the near future. The Railway Board, therefore, wish you to make the fullest use of the Indian Stores Department as a purchasing agency in all cases in which you consider that their services can advantageously be utilised and in which purchase in India is permissible under the stores rules; and, while they leave the classes of stores to be purchased in this way entirely to your discretion and have no desire to limit them, they would suggest that indents might with special advantage be placed with the Indian Stores Department for such of the following articles as you may require:

Textiles.

Cement.

Leather.

Lubricating and other oils, and turpentine.

Ropes and cordage.

Chemicals (Acids and coal tar, etc.).

Hides.

Iron wire.

Cast iron piping specials and fittings.

Dogspikes and fish-bolts and nuts.

Creosote.

Bearing plate and charis.

Cast iron and steel sleepers.

Building roofs and steel structures usually purchased in India.

Points and crossings.

I am to explain in this connection that the Stores Department effect their purchases in accordance with strict specifications in every case in which the prescription of a specification is considered to be advisable. They are prepared to act on specifications drawn up by the railway administrations, and not to depart from them in any material respect without the concurrence of the latter; or, when there are no railway specifications, to draw up specifications themselves in consultation, if need be, with the railway administrations. Moreover, it is the established practice of the department to refrain from placing an order for stores in cases in which the amount of the most suitable tender appreciably exceeds the indenter's estimate of cost without the prior approval of the indenter.

The Railway Board understand that a representative of the Indian Stores Department proposes shortly to visit you in order to see in what directions the Stores Department can assist you, and also to ascertain the extent to which you are likely to place indents with that Department.

3. The Railway Board are aware that the facilities for inspection and test provided by the Indian Stores Department are to a considerable extent utilised by you, but they feel that still greater use might possibly be made of them, since it appears to them that in functions of this nature, a large central organisation should have many

advantages over a number of smaller organisations. It operates in a wider field, it can specialise to a greater extent in the distribution of its inspection work, and can concentrate and employ more up-to-date methods for the testing of materials. In any event, you will no doubt agree that all articles purchased by you through the Indian Stores Department should be inspected and tested by them.

Letter from the Secretary, Railway Department (Railway Board), Simla, to the Agent, East Indian Railway, Great Indian Peninsula Railway, No. 2574-S., dated the 18th August 1924.

I am directed to forward a copy of a letter No. 2574-S., dated 18th August 1924, which has been addressed to the Agents of State-managed railways, asking them to make use of the Indian Stores Department for the inspection, test and purchase of railway stores in all cases in which they consider that they can advantageously do so. I am to request that if you see no objection you will utilise the services of the Indian Stores Department in the same manner; and to say that the Railway Board understand that a representative of the department proposes shortly to visit you in order to see in what directions it can assist you, and also to ascertain the extent to which you are likely to place indents with the department.

WITHDRAWAL OF THE ONE-RUPEE NOTE FROM CIRCULATION.

2136. ***Mr. K. C. Neogy** : Will Government be pleased to state when they are going to withdraw the one-rupee note from circulation ?

The Honourable Sir Basil Blackett : I would invite a reference to the Controller of the Currency's press communiqué, dated 26th August 1924, on the subject. The issue of the one-rupee notes will, in accordance with that communiqué, cease in the current month, but it is not proposed to take any special steps to withdraw from circulation those notes which remain outstanding.

IMPOSITION OF OFFSETTING DUTIES.

2137. ***Mr. K. C. Neogy** : (A) Will Government be pleased to state if any application has been made to Government for the imposition of offsetting duties as provided in the Indian Tariff Act to make up the difference between the market price and the standard price of Rs. 180 per ton fixed by the Tariff Board ? (B) Will Government be pleased to state what action they have taken on this application ? (C) Have Government any information as to the ruling market prices for various items scheduled in the Indian Tariff Act ? If so, will they be pleased to lay on the table a statement indicating in each case the difference from the standard price fixed by the Tariff Board ?

The Honourable Sir Charles Innes : (a) Yes.

(b) The Government are in communication with the applicants on the subject.

(c) A statement showing the latest information available was laid on the table in reply to Diwan Bahadur M. Ramachandra Rao's question No. 1852.

INTRODUCTION OF A REVISED FORM OF RAILWAY RISK NOTES.

2138. ***Mr. K. C. Neogy** : (A) Will Government be pleased to state whether they are aware of the dissatisfaction in the country with regard to the liability of railways for goods carried to the consignors even after the recent amendment in the Railway Risk Notes ? (B) Will Government be pleased to state what action they propose to take thereon ?

Mr. C. D. M. Hindley : (a) The reply is in the negative.

(b) The revised forms, as recommended by the Risk Notes Revision Committee and drawn up by Government's legal advisers, will be introduced on 1st October 1924. Until sufficient experience of the effect of the revised forms has been gained, Government do not propose to take any action.

ESTABLISHMENT OF A RATES TRIBUNAL.

2139. ***Mr. K. C. Neogy :** Will Government be pleased to state what progress has been made in the consideration of the question of the establishment of a Rates Tribunal recommended by the Acworth Committee ?

Mr. C. D. M. Hindley : Government have forwarded their proposals to the Secretary of State, whose reply is awaited.

MEMORANDA PRESENTED BY THE INDIAN COLONIES COMMITTEE TO HIS MAJESTY'S GOVERNMENT.

2140. ***Mr. K. C. Neogy :** Will Government be pleased to lay on the table a copy of the Memorandum presented by the Indian Colonies Committee to His Majesty's Government ?

Mr. J. W. Bhore : As the Honourable Member is aware the matters touched upon by the Colonies Committee are with the exception of the Immigration Ordinance still live issues and Government regret that they are unable to lay on the table copies of the Memoranda presented by the Committee to the Right Honourable the Secretary of State for the Colonies. Later on it is hoped it may be possible to give effect to his suggestion.

GRIEVANCES OF INDIANS IN RESPECT OF THE HIGHLANDS AND FRANCHISE IN KENYA.

2141. ***Mr. K. C. Neogy :** With reference to the statement recently made by Mr. Thomas in the House of Commons on the Kenya question, what further steps do Government propose to take to remedy the grievances of Indians in respect of the Highlands and franchise in Kenya ?

Mr. J. W. Bhore : The attention of the Honourable Member is invited to the reply given to part (c) of Dr. H. S. Gour's question No. 2016.

REPRESENTATION OF INDIAN VIEWS BEFORE THE ORMSBY-GORE AND THE SOUTHBOROUGH COMMITTEES.

2142. ***Mr. K. C. Neogy :** What steps do Government propose to take for the representation of Indian views before the Ormsby-Gore Committee now touring in East Africa, and the Southborough Committee attached to the Colonial Office ?

Mr. J. W. Bhore : The Government of India are now in communication with the Secretary of State for India on the subject.

Diwan Bahadur T. Rangachariar : Do the Government realise the urgency of the question, and will they press the Secretary of State for a reply ?

Mr. J. W. Bhore : I can assure the Honourable Member that the Government fully realise the urgency of the matter.

APPEALS OF THE EMPLOYEES OF THE EASTERN BENGAL RAILWAY AGAINST THE ORDERS OF DISTRICT OFFICERS.

2143. ***Mr. N. M. Joshi :** Will Government be pleased to state whether they are aware that the Agent of the Eastern Bengal Railway has issued orders by Notification No. 749 published in Weekly Gazette No. 25 of 1923, that he would refuse to entertain appeals preferred by the employees of the E. B. Railway against the District Officers? If the reply be in the affirmative, will they be pleased to state whether such orders are in consonance with the spirit of Rule 4 of Section 298, Chapter IV of State Railway Open Line Code, Vol. 2?

Mr. C. D. M. Hindley : Government have sent the Honourable Member's question to the Agent for remarks.

QUARTERS OF OFFICERS OF THE EASTERN BENGAL RAILWAY AT ALIPORE.

2144. ***Mr. N. M. Joshi :** Will Government be pleased to state whether they are aware that the officers of the E. B. Railway have recently been accommodated in a flat called Alipur Officers' Flat at a cost of about twelve lacs of rupees? If the answer be in the affirmative, will they be pleased to state why the demand for quarters for subordinate staff were overlooked?

Mr. C. D. M. Hindley : Government have sanctioned a scheme for providing quarters for the Eastern Bengal Railway officers at Alipore, but they have not overlooked the demand for subordinates' quarters, for which a very large sum has been sanctioned in the past two years.

RECRUITMENT OF INDIAN ASSISTANT STATION MASTERS FOR SPECIAL CLASS STATION ON THE EASTERN BENGAL RAILWAY.

2145. ***Mr. N. M. Joshi :** (a) Will Government be pleased to state if assistant station masters on the higher scale (Rs. 220 to Rs. 330) have been recruited for any special class stations on the E. B. Railway?

(b) If so, will Government be pleased to state if any Indians have been recruited? If not, why not?

Mr. C. D. M. Hindley : (a) Yes.

(b) So far as known no Indians have yet been appointed to these posts because no suitable Indian candidates were available. Special arrangements have, however, been made to train men of better educational qualifications with the idea of fitting them for these higher posts.

APPOINTMENT OF TWO ANGLO-INDIANS AS GUARDS ON THE EASTERN BENGAL RAILWAY IN PREFERENCE TO QUALIFIED INDIANS ALREADY IN THE SERVICE.

2146. ***Mr. N. M. Joshi :** (a) Are Government aware that the District Traffic Superintendent, Lalmonirhat, of the E. B. Railway, has recently appointed two Anglo-Indians as Guards on Rs. 100, i.e., the maximum pay of the Class "A", in preference to many senior Indians who are in service and passed the examination over two years ago?

(b) If the answer to (a) be in the affirmative, will they be pleased to state if the action of the District Traffic Superintendent, Lalmonirhat, was

in consonance with the Standing Orders regulating the appointments and promotions? If not, will they be further pleased to state what action was taken in this matter?

Mr. C. D. M. Hindley : The Government have no information. They presume that the aggrieved party if any will appeal to the Head of its Department.

EUROPEAN, ANGLO-INDIAN AND INDIAN CHARGEMEN IN THE EASTERN BENGAL RAILWAY WORKSHOPS.

2147. ***Mr. N. M. Joshi** : Will Government be pleased to state how many Indians, Anglo-Indians and Europeans are employed as Charge-men in the E. B. Railway Workshops?

Mr. C. D. M. Hindley : According to the latest information available there are 5 Indians and 31 Anglo-Indians and Europeans employed as Chargemen on the Eastern Bengal Railway.

ALLEGED ASSAULT BY MR. GASPER, LOCO. FOREMAN, KATI HAR, ON PHOOL MOHAMMAD, PUMPING DRIVER, KATI HAR.

2148. ***Mr. N. M. Joshi** : Will Government be pleased to state whether they are aware that one Mr. Gasper, Loco. Foreman, Katihar, assaulted one Phool Mohammad, Pumping Driver, Katihar, and when the latter wanted to see the Medical Officer, Katihar, the Loco. Foreman sent a letter to the Medical Officer, Katihar, requesting him not to give him unfit certificate? If not, will they be pleased to inquire into the matter and communicate the result of their inquiry to the House?

Mr. C. D. M. Hindley : From information received from the Agent, Eastern Bengal Railway, it appears that the allegations of assault referred to were made but were found to be without foundation. No request was made to the Medical Officer, Katihar, to refuse unfit certificate to Phool Mohammed. The man was examined by the medical officer and found fit. Subsequently he absented himself and was therefore discharged from service.

Mr. Amar Nath Dutt : Is it a fact that Phool Mohammad attended the local hospital and produced a medical certificate from the local doctor which was not accepted by the Loco. Foreman?

Mr. C. D. M. Hindley : I must ask for notice of that question. I have not the information with me.

PROMOTION OF INDIAN STATION MASTERS TO STATION SUPERINTENDENTS AND TRAFFIC INSPECTORS ON THE EASTERN BENGAL RAILWAY.

2149. ***Mr. N. M. Joshi** : Will Government be pleased to state whether the E. B. Railway authorities have so far selected any one from the Indian station masters list for promotion to the posts of Station Superintendents and Traffic Inspectors in that Railway? If so, how many such selections have so far been made? If not, why not?

Mr. C. D. M. Hindley : Full information on this subject has already been communicated to the Honourable Member in
12 Noon. reply to his question of 11th June 1924. A copy of the

letter to the Honourable Member is laid on the table.

Letter from the Secretary to the Government of India, Railway Department (Railway Board), to N. M. Joshi, Esq., M.L.A., No. 674-E., dated Simla, the 21st June 1924.

PROMOTION OF INDIAN TRAFFIC STAFF.

With reference to the reply given to question No. 1457 in the Legislative Assembly on the 11th June 1924, I am directed to state that no Indian Station Master, Assistant Station Master or Guard of the Eastern Bengal Railway has been directly promoted to the posts of Traffic Inspector, Transportation Inspector, Claims Inspector or Assistant Traffic Superintendent, the reason being that until recently the men taking up these appointments were not generally speaking suitable for the higher posts referred to owing to insufficient education and inability to control others.

I am however to add that Indian Office clerks, Shed Inspectors and Assistant Goods Supervisors of the Eastern Bengal Railway have been appointed as Traffic Inspectors, Claims Inspectors and Outstanding Inspectors and that one Indian Traffic Inspector and one Indian clerk have been appointed Assistant Traffic Superintendents in the Local Traffic Service.

PROMOTION OF REVERTED GUARDS ON THE EASTERN BENGAL RAILWAY.

2150. ***Mr. N. M. Joshi** : (a) Will Government be pleased to state whether they are aware that some of the Indian guards in the E. B. Railway were reverted from "B" class to "A" class owing to retrenchment ?

(b) If so, will they state whether these retired guards are entitled to promotion to the "B" class when any vacancies occur in that class ?

(c) If the answer to (b) be in the affirmative, will Government also be pleased to state how many vacancies in the "B" class occurred during the year 1923 and how many of them were given to the reverted guards referred to in (a) above ?

Mr. C. D. M. Hindley : (a), (b) and (c). Government have no information and are unwilling to call for reports in a minor matter of this sort which must be left to the discretion of the Agent to decide.

ALLOWANCES GRANTED TO STAFF OF THE EASTERN BENGAL RAILWAY FOR WORKING ON SUNDAYS AND HOLIDAYS.

2151. ***Mr. N. M. Joshi** : With reference to the reply given by the Chief Commissioner of Railways to question No. 1214, Part (c) and (d), of the Legislative Assembly, dated the 4th June 1924, will Government be pleased to state if Sundays are considered as general holidays for all employees or are treated specifically as Christian holidays ? If the former, how are the European drivers entitled to extra pay if required to work on Sundays ?

(b) Will they be pleased to state if the Indian Running Staff of the Traffic Department of the E. B. Railway also draw extra allowance for working on Sundays like that of European and Anglo-Indian Guards ?

(c) Will Government be pleased to state whether the European and Anglo-Indian drivers of the State Railways generally draw extra pay for 52 Sundays and 7 Christian holidays and the Indian drivers of the State Railways draw extra pay only for 2 Muhammadan and 3 Hindu Holidays ? If so, why are not Indian drivers given pay for 52 Sundays ?

(d) Will they also state if they are prepared to recommend to all the Railway authorities to extend the same privileges in respect of extra

pay to the Indian drivers as are enjoyed by the European and Anglo-Indian drivers ? If not, why not ?

(e) Will Government be pleased to state whether it is a practice that the Agents of the State Railways have to nominate every year a certain number out of the subordinate staff for promotion to Superior (Traffic) rank ?

(f) If so, will they be pleased to state how many such nominations were made by the Agent of the E. B. Railway during 1922, 1923, 1924 and how many of them were Indians, Anglo-Indians and Europeans ?

Mr. C. D. M. Hindley : (a) Sundays are classified as general holidays. The day is primarily a Christian holiday and for working on this day European running staff have hitherto drawn an allowance.

(b) The allowance is drawn by Indian guards but not by Indians in the Locomotive staff of the Eastern Bengal Railway.

(c) Government have not got information as regards the local practice on all State lines, but speaking generally Europeans usually draw extra pay when working on Sundays, Christmas Day, Good Friday and the King's Birthday. On the Eastern Bengal Railway apart from the distinction referred to in (b) above Hindu and Muhammadan employees respectively get the allowance when working on seventeen of their gazetted holidays.

(d) The whole of this question is at present under consideration.

(e) No.

(f) Does not arise.

Mr. Amar Nath Dutt : As holidays are granted to Christians on Sundays, will the Government consider the desirability of granting holidays to Hindus on Thursdays and to Muhammadans on Fridays ?

Mr. C. D. M. Hindley : The Honourable gentleman, Sir, in putting this question, has revealed the difficulties attendant upon this most troublesome problem. I have already said the matter is under the consideration of the Government.

Khan Bahadur W. M. Hussanally : May I ask if Muhammadans are allowed extra allowances when they work on Fridays, which is their sabbath ?

Mr. C. D. M. Hindley : I have already answered that question.

WORKING HOURS OF THE TRAFFIC AND TRANSPORT STAFF ON INDIAN RAILWAYS.

2152. ***Mr. N. M. Joshi :** (a) With reference to the reply given by the Chief Commissioner of Railways to question No. 1236, asked on the 4th June 1924, on the subject of the working hours of the Traffic and Transport Staff on Indian Railways, will Government be pleased to state whether it is not a fact that even at important transshipment stations such as Naihati, Santahar, Parbatipur, Siliguri, Lalmonirhat, Khulna, the transshipment staff have actually to work for 12 hours or even more a day without extra allowance or remuneration of any kind ?

(b) Will they be pleased to state whether they intend to make any provision for extra allowance for extra work referred to in (a) above ? If not, will they enforce the 8 hours a day or the 60 hours a week rule as already approved and accepted by the Government of India ?

Mr. C. D. M. Hindley : Government have not the information, but are making inquiries.

REVISION OF PAY OF THE CIVILIAN CLERKS IN THE NORTH WEST FRONTIER PROVINCE.

2153. ***Mr. N. M. Joshi** : (a) With reference to the reply given by Mr. E. B. Howell to question No. 857 in the Legislative Assembly on the 17th March 1924, will Government be pleased to state whether the inquiries by the Punjab Government foreshadowed therein have since been completed ? If so, do Government now propose to level up the grading of the N. W. F. P. civilian clerks of Districts and Headquarters Offices according to the Punjab clerical grades of corresponding offices ?

(b) If the answer to (a) above be in the affirmative, do Government propose to give retrospective effect to the revision inasmuch as the existing rates of pay were introduced in the Punjab over four years ago during which period the N. W. F. P. clerks have been serving on reduced pay ?

(c) Will Government be pleased to state the reasons why the question of the revision of pay of the N. W. F. civilian clerks which has been under consideration since October 1920, has been delayed so long ?

(d) Will they also state whether they will consider, at the time of sanctioning the revision, the advisability of giving retrospective effect to the revision in view of the delay caused in sanctioning it ?

(e) Will Government be pleased to state whether it is a fact that a differential treatment was given to a number of clerks in the N. W. F. Province by allowing the Irrigation clerks of the same Province revision of pay with effect from the 1st March 1923 and not granting the remaining clerks revised pay with effect from the same date ?

Mr. Denys Bray : (a) It is understood that a report has been submitted to the Punjab Government whose orders are awaited.

(b) Does not arise.

(c) The chief reason is that finality has not yet been reached over the Punjab rates.

(d) Yes, but this must not, of course, be taken as a promise that the result will be favourable.

(e) The Honourable Member's attention is invited to the reply given on the 24th March 1924 to his question No. 1042.

GRANT OF COMPENSATORY ALLOWANCE TO THE POSTAL STAFF AT DHARAMSALA.

2154. ***Lala Hans Raj** : Are the Government aware that since 1st April 1922 the civil servants of Dharamsala are getting compensatory

allowance while the postal servants are not. If so, will the Government be pleased to state why the honest postal servants are deprived of this allowance ?

The Honourable Mr. A. C. Chatterjee : The reply to the first part of the question is in the affirmative. With respect to the second part, the question had been recently considered by me and in view of all the circumstances I came to the conclusion that no compensatory allowance was justified in the case of the postal staff at Dharamsala.

UNSTARRED QUESTIONS AND ANSWERS.

SUPERINTENDENTS OF POST OFFICES.

350. **Dr. K. G. Lohokare :** (a) How many persons were given permission to appear at the Departmental examination for Superintendents of Posts during the last seven years ?

(b) Of these how many were from the subordinate service and how many were direct recruits ?

(c) How many of these selections from the subordinate service were persons who had served as camp clerks to the Heads of Offices in the Department ?

(d) Is it a fact that the post of a camp clerk is a special one not being on the general time-scale list ?

(e) In recommending a subordinate for permission to appear at the Departmental examination for Superintendents are there any rules regarding service, educational qualifications, competency, etc., by which the merits of the subordinates are to be judged, so that the process of selection would at least take up persons of a certain standard ?

(f) Is it a fact that in this process of selection this year, claims of Inspectors of good capability, graduates with good service, and other capable persons were overlooked in preference to persons who were or are camp clerks ?

(g) What educational qualifications, period of service, otherwise than as camp clerks, or any special capability do those persons who have been permitted this year hold ?

(h) Do Government propose to see that some rules regarding this selection are laid down in order that selection may not amount to favouritism ?

Mr. H. A. Sams : (a) 133.

(b) 44 and 89, respectively.

(c) 1 in 1918, 1 in 1919, and 2 in 1924.

(d) No. The post of camp clerk is filled from the general cadre of administrative offices.

(e) No definite rules have been laid down either as regards length of service or educational qualifications. Ordinarily officials are not

nominated for the examination if their age exceeds 31 years. Those subordinates are recommended whose past work and conduct is such that they appear likely to make efficient executive officers.

(f) No.

(g) Of the two camp clerks nominated, one is a graduate. Neither has any service except as a camp clerk.

(h) The proposal will receive consideration.

PURCHASE OF LOCOMOTIVES FOR THE RAILWAYS.

351. **Mr. W. S. J. Willson** : (a) Were tenders called for in India for the 37 locomotives recently purchased ;

(b) Does the purchase of these 37 locomotives come within the purview of the Stores Rules ;

(c) Does it form part of the Rs. 150 crores programme ?

Mr. C. D. M. Hindley : (a) No.

(b) The purchase of these locomotives does not come within the purview of the Stores Rules, but there is nothing in the transaction which is opposed to the policy embodied in those rules.

(c) Yes.

MANUFACTURE OF STAMPS, STAMPED PAPER AND POSTAL STATIONERY IN INDIA.

352. **Khan Bahadur W. M. Hussanally** : Will Government be pleased to state :

(a) Whether stamps, stamped papers and postal stationery are to be manufactured in India, if so where and from what date the work will commence ?

(b) Whether the existing five Central stamp depots at Calcutta, Bombay, Madras, Rangoon and Karachi will be maintained for distribution of stamps as at present or the issue will be made at the place of manufacture ?

(c) Whether in case of abolition of the Central depot, their establishment will also be abolished or provided for locally or at the place of manufacture ?

(d) Whether the establishment at the place of manufacture will be under the control of the Central Government or the Provincial Government respectively ?

The Honourable Sir Basil Blackett : (a) Yes. A press for the manufacture of stamps, etc., is being established at Nasik Road and it is hoped that it will be in working order by the end of 1925 or the beginning of 1926.

(b) The matter is under consideration at present.

(c) This will depend on the decision arrived at on (b).

(d) Under the control of the Central Government.

COST OF PRESS FOR THE MANUFACTURES OF STAMPS, ETC., IN INDIA.

353. **Khan Bahadur W. M. Hussanally** : (a) What will be the cost of the buildings and machinery ?

(b) What will be the cost of manufacture ?

(c) What will be the yearly saving upon cost of imported stations from England ?

The Honourable Sir Basil Blackett : (a) A rough estimate is as below :

	Rs.
Buildings including drainage and water supply ..	17,07,000
Machinery and equipment, about	10,00,000

(b) The cost will fluctuate from time to time with the price of paper.

(c) No accurate figures can be given, but it is anticipated that the cost of manufacture in India will be substantially cheaper than the cost that is being paid to the present contractors in England. In this connection the Honourable Member's attention is invited to paragraphs 81 and 82 of the Report by Colonel Willis and Mr. Ascoli.

REDUCTION OF FARES ON RAILWAYS.

354. **Khan Bahadur W. M. Hussanally :** (a) Is it a fact that the G. I. P. R. has reduced its passenger rates recently ?

(b) What were the fares before ; and what will they be after the reduction ?

(c) Do other Company-managed Railways intend reducing their fares ?

(d) Do Government intend reducing the fares on State-managed Railways ? If so, when and to what extent ?

Mr. C. D. M. Hindley : (a) No, but the Great Indian Peninsula Railway have notified a reduction in I and II class fares from 1st October, 1924.

(b) The present and proposed fares are as follows :

Class.	Distance.	Present rate per mile.	Proposed rate per mile.
I	.. 1—300 miles ..	.. 30 pies.	24 pies.
	<i>plus</i>		
	Over 300 miles	.. 18 „	16 „
II	.. 1—300 miles ..	.. 15 „	12 „
	<i>plus</i>		
	Over 300 miles ..	.. 9 „	9 „

(c) Government understand that the Bombay, Baroda and Central India and Madras and Southern Mahratta Railways are introducing similar reductions from 1st October, 1924.

(d) The proposed revision of rates on the Great Indian Peninsula Railway will bring those rates to the level that now obtains on the North Western and Oudh and Rohilkhand Railways. On the Eastern Bengal Railway the Agent is experimenting with concessions in return fares, but if experience shows that even with these concessions the existing fares are more than the traffic can bear, the question of reducing the rates will no doubt be carefully considered.

ALLEGED FRAUDS ON THE OUDH AND ROHILKHAND RAILWAY.

355. **Mr. M. K. Acharya** : With reference to question No. 1381 of 9th June 1924, and the reply thereto, will Government be pleased to state (1) whether in the case of the alleged fraud in the Stores Department which was then *sub judice*, judgment has since been delivered ? (2) whether a brief summary may be laid on the table of the charges made and of the findings of the Court ?

Mr. C. D. M. Hindley : There are actually two cases. The Appellate Court delivered judgment in one a few days ago ; the other is still *sub judice*.

A brief summary of both cases will be sent to the Honourable Member after judgment has been delivered in the second case.

ALLEGATIONS AGAINST KHAN BAHADUR M. A. KHAN, GOODS INSPECTOR, OUDH AND ROHILKHAND RAILWAY.

356. **Mr. M. K. Acharya** : With reference to the answer given to the question 1381 of 9th June 1924, will Government be pleased to state (1) whether the notice of Government has been drawn to the points raised in pages 5, 6 and 7, of the *Weekly Mazdoor* of 23rd April 1924 ? (2) whether it is a fact that a certain officer named Khan Bahadur M. A. Khan was allowed to hold the dual appointments of Goods Inspector and "D. T. S. Claims" ? (3) and if so, for what length of time and why ? (4) what steps have been taken to inquire into the allegations made against the said officer in the issue of the *Weekly Mazdoor* above referred to ? (5) whether in a recent case before the Sessions Judge at Moradabad the Judge has passed severe strictures against the said officer ? (6) whether one of the two assessors actually held that the officer was personally involved in the swindle before the Court ?

Mr. C. D. M. Hindley : (1) Government have seen the pages referred to.

(2) Yes, the officer named officiated as an A. T. S. and not D. T. S. in addition to his own duties of Goods Inspector.

(3) Matters of this sort are left to the discretion of Agents, and Government have no information either in regard to the period or the reasons which rendered this arrangement necessary.

(4) The allegations are substantively those made by Mr. Naidu referred to in the answer given to Maulvi Muhammad Yaqub on the 5th June, 1924. They were carefully investigated and proved to be false.

(5) and (6). The Honourable Member does not state what case he refers to and Government have been unable to trace any reference to the officer in question. But this part of the question will be sent to the Agent for remarks.

ALLEGATIONS AGAINST KHAN BAHADUR M. A. KHAN, GOODS INSPECTOR, OUDH AND ROHILKHAND RAILWAY.

357. **Mr. M. K. Acharya** : With reference to question 1253 of 5th June 1924 and the answer thereto, will the Government be pleased to state (1) whether it was against the self-same officer that charges of corruption were brought by the late S. M. of Barabanki, for which the S. M. was dismissed ? (2) whether Government will lay on the table a copy of the

charges made by the S. M. and of the "documentary evidence" on the strength of which the charges were held to be false departmentally? (3) whether, Government propose to call upon the said officer to vindicate his character in a Court of Law? or (4) whether in the alternative, Government propose to order an impartial inquiry by a Committee of this House into the many allegations that have appeared in the Press against the administration of the C. and R. Railway, and especially against certain officers thereof?

Mr. C. D. M. Hindley : (1) Yes, but as stated in the reply given to Maulvi Muhammad Yakub on the 5th June 1924, the station master was discharged with a month's notice and not dismissed.

(2) No.

(3) and (4). The Honourable Member is referred to replies given to (5) and (6) of the question just answered.

CASE OF GUARD MONTROSE OF THE EAST INDIAN RAILWAY.

358. **Mr. M. K. Acharya :** Will the Government be pleased to state (a) whether a guard of the E. I. Railway named Montrose was prosecuted about a year ago for gross neglect of duty resulting in death of a woman passenger; (b) whether he was convicted by the trying Magistrate; (c) whether the conviction was upheld by the Sessions Judge and by the High Court; (d) whether the guard was helped by the Company all along to defend himself and in paying the fine; (e) whether this has cost the Company more than Rs. 2,000; (f) whether, in spite of the conviction, the guard is still kept in service; and (g) whether the Railway Board has sanctioned the contribution by the Company?

Mr. C. D. M. Hindley : (a) Yes, but the guard in question was prosecuted under section 101 of the Indian Railway Act and not for gross neglect of duty as stated.

(b) to (g). The replies are in the affirmative.

AMALGAMATION OF THE GREAT INDIAN PENINSULA AND EAST INDIAN RAILWAYS.

359. **Mr. N. C. Kelkar :** (a) Is it a fact that a scheme is being formulated by Government, of an amalgamation of the G. I. P. and E. I. Railways into a new company, with the object of handing over the management of the two State Railways into the hands of the new Company?

(b) If so, will Government please give the information in their possession regarding this scheme?

Mr. C. D. M. Hindley : There is no such scheme.

COST OF MACHINERY FOR THE SUKKUR BARRAGE.

360. **Mr. N. C. Kelkar :** (a) Will Government state the cost of machinery which has been already purchased or ordered by the Bombay Government in connection with the Sukkur Barrage Scheme?

(b) Will Government state whether this machinery was purchased or ordered through the Stores Department of the Government of India?

The Honourable Mr. A. C. Chatterjee : (a) The Government of India have no information.

(b) The value of machinery purchased by the Indian Stores Department up to date for the Lloyd Barrage and canals scheme is Rs. 6,67,000 approximately.

RAILWAY CONCESSIONS FOR MILITARY TRAFFIC.

361. **Mr. N. C. Kelkar** : What is the total amount of the net financial concession made to the Military Department in the year 1923 in respect of the transport of its troops on duty and animals and stores over the several Railways in India and the travelling of troops on leave or private business, or in other words the difference between the amounts that should have been charged for the above items according to the standard schedules or tariffs and the amounts actually charged or received ?

Mr. C. D. M. Hindley : No actual figures are procurable, but in their total effect it seems unlikely that rates for military traffic give any concession over ordinary tariff rates. For example in the year 1922-23 the average receipts per passenger vehicle mile on the North Western, East Indian and Great Indian Peninsula Railways (three lines which may be taken as suitable for the purpose of this comparison) were 67.7 pies against the military vehicle rate of 66 pies. During the same period the average receipts per goods vehicle mile on the same three railways were 51 pies against the military vehicle rate of 60 pies.

In actual fact the rates for military traffic were not fixed in order to give any financial concession, but merely to simplify methods of payment, accounting and audit.

POSTAL INSURANCE FUND.

362. **Mr. N. C. Kelkar** : Will Government supply the information as to the mortality, interest, and the loading basis adopted at the three latest actuarial valuations of the Postal Insurance Fund ?

Mr. H. A. Sams : The following statement shows the tables of mortality, the rate of interest and the loading basis adopted at the three latest actuarial valuations of the Postal Insurance Fund.

Statement showing the tables of mortality, interest and the loading basis adopted at the three latest actuarial valuations of the Postal Insurance Fund.

Date of valuation.	Tables of mortality.	Rate of interest.	Loading reserve.
31st March 1912	HM (5) with an addition of five years to the age in the case of whole life assurances. OM (5) with some modifications for ages 19 to 30 in the case of endowment assurances.	3½ %	12.6 %
31st March 1917	Ditto ditto ..	3½ %	13.6 %
31st March 1922	Ditto ditto ..	3½ %	13.5 %

CHIEF COMMISSIONER FOR INDIAN RAILWAYS.

363. **Mr. N. C. Kelkar** : (a) Is it a fact that the creation of the post of a Chief Commissioner for Indian Railways is in pursuance of one of the recommendations of the Ackworth Committee ?

(b) Was the Indian Legislature consulted before the said post was created and filled ?

(c) Did not Government advert to the fact that this action was contrary to the declaration of Government made in reply to a question by Mr. Manmohandas Ramji on 22nd of September 1921, that no administrative action would be taken on the reports of Committees or Commissions before an opportunity had been given to the Legislature to express an opinion on the proposed action ?

(d) Is it a fact that the said Chief Commissioner for Indian Railways holds views against the State management of Railways ?

Mr. C. D. M. Hindley : (a) Yes.

(b) No.

(c) The undertaking given by Government is being adhered to; it stated that as far as practicable an opportunity would be given to the Indian Legislature to express its opinion on administrative questions before action is taken by Government.

(d) No.

EXPORT OF BEEF FROM INDIA.

364. **Mr. N. C. Kelkar** : Will Government give approximate figures for the last five years of (1) the export of beef from India, (2) the quantity of beef required for the British Army in India ?

The Honourable Sir Charles Innes : (1) A statement is laid on the table.

(2) 1 lb. per head per day.

Statement showing the quantity of beef dried or otherwise—exported from each Indian Port to all ports other than Indian and Burmese.

Ports whence exported.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.
Madras	Nil.	Nil.	Nil.	Nil.	Nil.
Bombay	599	12	Nil.	Nil.	75
Calcutta	Nil.	Nil.	Nil.	Nil.	Nil.
Total	599	12	Nil.	Nil.	75

POSTAL INSURANCE FUND.

365. **Mr. N. C. Kelkar** : Will Government state whether the information regarding the basis and details of the actuarial valuation of the Post Office Insurance Fund are published in any Government publications ?

If they are not, do the Government propose to order full details to be published in the life assurance year book issued through the Government Central Press ?

Mr. H. A. Sams : No. Government, however, have no objection to publishing the details of the actuarial valuation of the Postal Insurance Fund in the future issues of the Indian Life Assurance Year Book.

COMPENSATION PAID BY RAILWAYS ON ACCOUNT OF PERSONS KILLED OR INJURED IN ACCIDENTS.

366. **Mr. N. C. Kelkar :** Will Government supply information on the following points :

- (1) Total number of claims for compensation demanded by or on behalf of persons who received injuries or lost their lives in Railway accidents in the year 1923.
- (2) The total amount of compensation actually paid for the said claims.
- (3) Number of claims for amounts exceeding Rs. 10,000 and the amounts of compensation paid for these.

Mr. C. D. M. Hindley : The total amount of compensation paid by Class I Railways on behalf of persons who received injuries or lost their lives in railway accidents during the year 1923-24 was Rs. 2,70,790. Government have no knowledge of the number of claims for compensation made during the year.

SUGGESTIONS IN CONNECTION WITH BUDGET DEBATES.

367. **Mr. N. C. Kelkar :** Do the Government propose to consider the desirability of :

- (a) Presenting only the accounts and revised estimates portion of the financial statement towards the middle of February and allotting a couple of days for their discussion by the Assembly.
- (b) Splitting up the total demand for expenditure under the head 'Railways' into the following sub-heads and making each of these sub-heads a separate demand for the purposes of discussion and voting, *viz.* :
 - (1) Cost of construction of new lines.
 - (2) Maintenance and repairs to old lines.
 - (3) Payment of interest Sinking Fund. Rebate, Surplus profits compensation.
 - (4) Working charges including fuel and supervision.

The Honourable Sir Basil Blackett : (a) I doubt if this suggestion is practicable.

(b) This is already under consideration.

EFFICIENCY BAR FOR ACCOUNTANTS IN THE MILITARY ACCOUNTS DEPARTMENT.

368. **Mr. N. C. Kelkar :** (1) Will the Government of India please say whether they have issued any orders that the pay of accountants

(non-gazetted) of the M. A. Department, in receipt of pay of Rs. 500 per mensem since 1st April 1920, should be reduced to Rs. 450 per mensem if they have been considered since 31st March 1924 as unfit for promotion to the gazetted rank though they were considered fit when their pay was originally fixed under the time-scale.

(2) Is it a fact that it has been decided by the Government of India that the pay of an accountant in receipt of Rs. 500 per mensem should be reduced automatically to Rs. 450 whenever he is found unfit for further advancement even if the previous confidential reports on him for a number of years are satisfactory ?

(3) If the reply to parts (1) and (2) be in the affirmative will the Government please state whether this decision is based on any principle already embodied in Civil Service Regulations or any other Regulations ? Is there any such general standing order applicable to all Government servants of all grades that if an individual though considered fit for an appointment for a long time past is subsequently considered unfit for further advancement, the pay he is in receipt of and which was granted to him in respect of his past services should be reduced ? If not, will Government please state why the orders about the reduction of pay were considered necessary in the case of accountants of the Military Accounts Department ?

The Honourable Sir Basil Blackett : (1) and (2). The orders actually are that Accountants in receipt of Rs. 500 or Rs. 475 a month, who are declared in confidential reports for the year ending March 1924 to be unfit to hold appointments of Supervisors of Sections or for promotion as Deputy Assistant Controllers, should be restricted to Rs. 450 from the 1st August 1924, and, in future, such reduction will be made whenever an accountant proves unfit for these positions.

(3) The stage of Rs. 450 in the time-scale has been declared an efficiency bar which cannot, therefore, be passed unless an accountant displays a certain degree of efficiency. It follows from the general principle underlying efficiency bars that if, after passing the bar, an officer becomes inefficient he is liable to reduction to the latter stage. I would add that the Civil Service Regulations even provide for removal from the service for inefficiency, Articles 353 and 418.

WORKING HOURS IN THE MILITARY ACCOUNTS DEPARTMENT.

369. **Mr. N. C. Kelkar :** Is it a fact that the establishments in the Military Accounts Department have even after the war still to work extra hours both in and out of office to cope with the work and if so :

(a) how many hours a day,

(b) how long is this state of things to continue and would the Government be pleased to state what steps they have already taken or propose to take to prevent it ?

The Honourable Sir Basil Blackett : With the return to normal conditions the establishments of the Military Accounts Department are not now required to work extra hours to any appreciable extent except to meet temporary and occasional emergencies.

PRODUCTION OF MEDICAL CERTIFICATES BY THE OFFICE ESTABLISHMENT OF THE CONTROLLER OF MILITARY ACCOUNTS, SOUTHERN COMMAND AND POONA DISTRICT.

370. **Mr. N. C. Kelkar** : With reference to my interpellation No. 1280, on the 5th June 1924, will the Government of India be pleased to ascertain and state the number of cases in which certificates granted by the registered medical practitioners for leave of absence in excess of 7 days were accepted without the countersignature of the Government medical officer and in how many cases they were not accepted.

The Honourable Sir Basil Blackett : The required information has been called for and will be furnished to the Honourable Member on receipt.

AGREEMENTS BETWEEN THE GOVERNMENT OF INDIA AND FOREIGN GOVERNMENTS FOR THE SUPPLY OF INDIAN OPIUM.

371. **Mr. N. M. Joshi** : Will Government be pleased to lay on the table copies of the agreements made by the Government of India with the other Governments for the supply of Indian opium ? If not, why not ?

The Honourable Sir Basil Blackett : A model agreement has been placed on the table as desired. Agreements entered into before 1923 do not contain a provision for the certification of imports.

AGREEMENT between the Government of India and the Government of regarding direct supplies of opium from India.

1. The Government of agrees to take the whole or substantially the whole of its requirements from India.

2. The Agreement is to come into force on the

3. The Agreement is to be in force for years. The question of renewal will be the subject of further negotiations between the two Governments at a later period ; such negotiations to be concluded by the end of or, by mutual consent, at a later date.

4. The Agreement may be terminated by giving years' notice if it is found to work unfairly towards either party.

5. The price of opium supplied under this Agreement shall be Rupees Thousand per chest. But if the Government of India, subsequently to the introduction of these arrangements, should arrange for direct sales to another Government on the basis of a lower price than Rs. per chest, the same reduced price shall be applied to sales to the Government of with effect from the date on which it first becomes operative in the case of the other customer.

6. The Government of is under no obligation to take a minimum quantity of raw opium.

7. The requirements for any year shall be intimated by the Government of before the 15th September in the preceding year.

8. Each year's notification of the number of chests required for the succeeding year will be accompanied by a certificate by the Government of (in such form as may from time to time be prescribed) stating that the import of the amounts notified is approved by the Government of and is required for legitimate purposes.

9. A fixed amount shall be supplied month by month, six months' notice being given of any increase or decrease.

10. The Government of agrees to intimate to the Government of India the causes of any large variation in the quantity taken.

11. Details arising out of the Agreement to be settled between the Government of India and the Government of

EFFECT OF THE IMPORT CERTIFICATE SYSTEM ON THE AMOUNT OF INDIAN OPIUM SOLD FOR EXPORT.

372. **Mr. N. M. Joshi** : Will Government be pleased to state what was the effect, if any, of the adoption of the import certificate system on the amount of Indian opium sold for export ?

The Honourable Sir Basil Blackett : The import certificate system came into force on the 1st January 1923. No inference can be drawn from the figures of exports so far available as to the effect of the import certificate system.

RESTRICTED SALE OF PROVISION OPIUM TO THE NON-CHINA MARKET IN THE FAR EAST.

373. **Mr. N. M. Joshi :** Will Government be pleased to state :

- (a) if it was a fact that about the year 1911, the Government restricted the sale of provision opium to the non-China market in the Far East to 14,000 chests ?
 (b) why it was so restricted ?
 (c) how the figure 14,000 was arrived at ?
 (d) if that limit has ever been exceeded since 1911 and why ?

The Honourable Sir Basil Blackett : (a) Yes.

(b) In order to prevent smuggling into China.

(c) With reference to the legitimate requirements of those markets based on past experience.

(d) Yes, only once ; i.e., in 1918, when it went up to 14,551. The increase was due to somewhat heavy demands from Siam, Japan and Indo-China ; and as the limit of 14,000 was only a rough working guide and not an absolute limit the small excess was ignored by the Government. I am circulating with the votes a statement showing the exports of opium to each importing country since 1910 from which it will be seen that the annual average is much less than 14,000 and is constantly decreasing.

Statement showing the number of chests of opium exported from India during the years 1910-23.

1 chest = 140 lbs.

Destination.	1910.	1911.	1912.	1913.	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
China ..	34,240	31,831	28,202	4,612										
Singapore ..	10,686	7,309	4,603	2,367	945	3,230	3,998	4,818	4,284	4,155	3,090	3,010	1,830	2,100
Hongkong ..				1,120	1,236	734	860	860	856	1,609	180	120	150	240
Penang ..				200		10								
Colombo ..				106	80	85	86	60	70	50	60	70	60	30
Batavia ..				3,535	1,900	2,415	1,935	2,200	2,000	2,000	2,900	2,300	1,800	900
Hatiphong ..				295										
Puket ..				30										
Mansanillo ..						15								
Sura ..						1	1							
Sydney ..						1	1	6		1				
Barcelona ..						5								
London ..				85	458	150								
Kobe ..				1,199	800	930	1,060	1,063	1,656	1,156	900	150	50	150
Bangkok ..				1,350	2,300	1,700	1,300	1,100	1,700	1,700	1,700	1,700	1,650	1,600
Saigon ..				450	2,150	2,675	2,625	2,595	3,790	1,920	950	1,655	1,700	2,975
Mauritius ..				17	25	40	125	30	47		85			
Macao ..				895							531	440	500	240
Mexico ..					190	225	120							
Maslian ..							50							
Yokohama ..								70	25	30				
Durham ..														
Sarawak ..							1						55	125
Talpah ..								200						
Sava (Fij) ..														
Br. North ..							1		120	226	176	240	60	84
Borneo ..														
New York ..									1					
Santoo (Brazil) ..									2					
Bushire ..												85	283	100
Other countries ..	3,362	5,673	2,022											
TOTAL ..	48,290	44,813	34,827	15,760	9,924	12,210	12,337	12,902	14,551	12,231	10,522	9,770	8,128	8,544

SOURCES OF OPIUM SUPPLY.

374. **Mr. N. M. Joshi** : Will Government be pleased to state what were the source from which the Government of India obtained the supplies of opium, from 1911 onwards, the quantities, at 70 degrees consistency in maunds so obtained in each source ; and under what circumstances the different sources were resorted to ?

The Honourable Sir Basil Blackett : For a statement of the position in respect of the sources of opium supply, I would refer the Honourable Member to the Government of India's despatch No. 28, dated the 18th March 1921, which was published in the Supplement to the Gazette of India, dated the 17th September, 1921. The quantities obtained are given below :

Year.	Outturn in		Quantity pur-		
	Benares Agency.		chased from		
	Mds.		Malwa States.		
	Mds.		Mds.		
1911-12	31,473	..
1912-13	26,813	6,247
1913-14	24,292	20,502
1914-15	28,293	13,551
1915-16	27,001	20,812
1916-17	32,124	7,887
1917-18	32,248	7,374
1918-19	27,343	8,199
1919-20	22,731	2,921
1920-21	14,340	11,223
1921-22	18,310	12,703
1922-23	23,900	16,346

TRANSACTIONS IN MALWA OPIUM.

375. **Mr. N. M. Joshi** : Will Government be pleased to state :

- (a) Why in Appendix VII of the " Report on the Operations of the Opium Department " for the years since 1917, opium received from Central India is shown in column 5, but not in Appendix XIII of the same Report ?
- (b) Why in tables on Opium Revenue in the Statistics of British India, (of 1922, Vol. II, Financial, Nos. 12 to 23), and in the Statistical Abstract for British India, no reference is made to the quantities of Malwa opium purchased by, or specially cultivated for, the Government of India ?
- (c) If in future the Government intend to arrange to supplement the tables referred to in (b) above in the Statistics of British India and Statistical Abstract with information regarding transactions of the Government in Malwa opium also, and to include all the information now furnished in Appendix VII of the Report of the Operations of the Opium Department ?

The Honourable Sir Basil Blackett : (a) Columns 9 and 10—" Excise Chests"—in Appendix XIII, include the opium received from Central India. Appendix XIII (before the report for 1916-17, Appendix XX) is in a form that dates from the time when no Malwa opium was purchased.

(b) As in the case of the Table referred to in clause (a) of this question, the form of the Table has remained unchanged from the time when no Malwa opium was purchased ; but it will be seen that details of the quantities of opium purchased by the Government of India from the Malwa States are given on page 152 of Volume II, Financial Statistics, 1922. In the Opium Revenue Accounts, the charges on account of Malwa opium appear as expenditure, just like the payments to cultivators in the United Provinces for the crude opium.

(c) The question of revising the form of both the Tables referred to is under consideration.

SCHEME OF INTERCHANGE OF PUBLIC HEALTH PERSONNEL ORGANISED BY
THE LEAGUE OF NATIONS.

376. **Mr. N. M. Joshi** : Will Government be pleased to state whether it is a fact, and if so, whether they are aware of it, that connected with the League of Nations there exists a system of interchanges of Medical Health Personnel organised by the League's Health Committee largely with the aid of the funds from the Rockefeller Foundation ? If so, will they be pleased to state whether they have considered the desirability of availing themselves of it in the interests of the Public Health in India ? If not, do they propose to do so now and announce their decision ?

Mr. J. W. Bhore : The Honourable Member is correct in his assumption, and the Government of India are aware of the arrangement now in operation in Europe and America through the League of Nations. This interchange of health personnel is in its infancy, and up to date has been confined, with the exception of Japan, to European countries and America. The extension to other continents is in contemplation and the League has suggested that an interchange should be organised particularly for the countries of the Far East in 1925.

When the League's proposals have matured, the Government of India intend to bring the matter to the notice of the various Local Governments.

LISTED POSTS FOR MEMBERS OF THE PROVINCIAL CIVIL SERVICE.

377. **Mr. W. M. Hussanally** : I. With reference to the Honourable Sir William Vincent's reply to question No. 148 by Rai G. C. Nag Bahadur, M.L.A., on the 15th September 1921, in this Assembly, will Government please state whether in accordance with the assurance given therein, instructions were issued to the various Local Governments by the Government of India on the subject of giving more listed posts in the executive branch to the members of the Provincial Civil Service ?

II. Will the Government be pleased to state the date of the communication ?

III. What steps have the Government of India taken to secure the effective observance of these instructions by Local Governments ?

IV. (a) Have Government any information to show whether Local Governments are now acting in the spirit of these instructions ?

(b) If not, will the Government please call for reports from Local Governments and place the same on the table ?

V. Do the Government of India possess the necessary powers to have their undertakings carried out by the Local Governments ?

The Honourable Sir Alexander Muddiman : (1) and (2). The Honourable Sir William Vincent, in the reply referred to by the Honourable Member, mentioned a reference which had already been sent to Local Governments on 6th August 1921 and gave no assurance that any further reference would be made.

(3) The Government of India have issued nothing in the nature of instructions. The suggestions contained in their letter, dated 6th August 1921, resulted in the number of listed posts being raised from 70 in 1921 to 88 in 1923.

(4) As Sir William Vincent pointed out, the increase in the number of listed posts must vary with the conditions of the cadre of the Indian Civil Service in each province, and the Government of India have no reason to believe that Local Governments have failed to increase the number of these posts as opportunity has arisen. They do not consider that any further reference to Local Governments is at present necessary, especially in view of the fact that the method of recruitment from the Provincial Service is under consideration in connection with the recommendations of the Royal Commission on the Superior Civil Services.

(5) The relation of Local Governments to the Governor General in Council is defined in section 45 of the Government of India Act.

COMPENSATION TO THE FAMILY OF THE VILLAGER OF LOHOGAON WHOSE DEATH WAS CAUSED BY PRIVATE C. J. WALKER.

378. **Mr. N. C. Kelkar** : (a) Has the attention of Government been drawn to the following question and answer in the last July session of the Bombay Legislative Council ?

Bombay Legislative Council, second session 1924, second list, page 66.

Mr. B. G. Pradhan (Nasik District) : Will Government be pleased to state whether any compensation has been given to the family of the villager at Lohogaon for causing whose death Private C. J. Walker was charged before the Sessions Judge at Poona and subsequently acquitted by the High Court ?

The Honourable Sir Maurice Hayward : No such compensation has been awarded by this Government.

(b) Has the Military Department received any application from the widow of the villager referred to in the interpellation for compensation for the death of her husband ?

(c) Do Government propose to favourably consider the petition ?

(d) Do Government propose to consider the advisability of more strictly enforcing the Shikar rules under which Military men are allowed to go out for Shikar ?

Mr. E. Burdon : (a) I have not been able to trace in the published proceedings the question and answer referred to, but Government have no reason to question the accuracy of the Honourable Member's quotation.

(b) No.

(c) This question does not arise.

(d) Government do not propose to take any action in the direction suggested by the Honourable Member, since they are of opinion that the present rules are sufficiently strict.

ESTABLISHMENT OF A LABOUR OFFICE IN BOMBAY.

379. **Mr. K. O. Neogy** : Will Government be pleased to lay on the table all correspondence that they had with the Government of Bombay with regard to the establishment of the Labour Office in Bombay ?

The Honourable Mr. A. C. Chatterjee : It does not appear to Government that any advantage is to be gained by the publication of the correspondence. If, however, the Honourable Member desires information on any particular point, I should be glad to supply it, if possible.

WAITING ROOM FOR FIRST AND SECOND CLASS PASSENGERS AT TALIPARAMBA ROAD STATION ON THE SOUTH INDIAN RAILWAY.

380. **Mr. K. K. Nambiyar** : (a) Will the Government be pleased to state whether there is any waiting room for first and second class passengers in Taliparamba Road railway station, S. I. R. line Malabar District.

(b) If the reply is in the negative, do the Government propose to advise the railway authorities to put up a waiting room ?

Mr. C. D. M. Hindley : The Government have no information, but the question will be brought to the notice of the Agent.

DOUBLING OF THE RAILWAY LINE FROM MADRAS TO CHINGLEPUT.

381. **Mr. K. K. Nambiyar** : (a) Will the Government be pleased to state whether there is any proposal to construct a double line Railway connection between Chingleput and Madras by the S. I. Railway ?

(b) If the answer is in the affirmative, will the Government be pleased to state when the work is likely to be taken up and when completed ?

Mr. C. D. M. Hindley : (a) Yes, but as a first stage it is proposed to double the line from Madras as far as Tambaram only.

(b) It is not possible to state definitely when the work will be started, as the South Indian Railway Company are now considering the advisability of electrifying the suburban services in conjunction with the doubling of the line. As soon as a decision is arrived at, no avoidable delay will be allowed to occur in carrying out the work.

PROPOSED TELLICHERRY-NANJUNGOD RAILWAY.

382. **Mr. K. K. Nambiyar** : Will the Government be pleased to state what progress has been made with regard to the proposed Tellicherry-Nanjungod Railway connection ?

Mr. C. D. M. Hindley : The survey of the line is now nearing completion.

NEW LEGISLATIVE RULES RELATING TO SUPPLEMENTARY GRANTS.

383. **Seth Govind Das** : Will the Government be pleased to state the objects and reasons that led them to promulgate the legislative rules to sanction the presentation to the Assembly or to any of the Provincial Legislative Councils of an additional or a supplementary estimate in respect of any demand which may have been previously rejected ?

The Honourable Sir Alexander Muddiman : The Honourable Member is referred to my reply to Mr. Neogy's question No. 1735, dated the 10th September 1924.

DISSOLUTION OF THE CENTRAL PROVINCES LEGISLATIVE COUNCIL.

384. **Seth Govind Das** : Will the Government be pleased to state if the Governor of the Central Provinces has referred to the Government of India the question of dissolving the C. P. Legislative Council ?

(b) If so, have the Government of India come to any decision in the matter and has any communication been issued on the subject ?

(c) If so, will the Government be pleased to lay it on the table ?

The Honourable Sir Alexander Muddiman : Under proviso (a) to section 72-B (1) of the Government of India Act a provincial Legislative Council may be dissolved at any time by the Governor. The Government of India are therefore unable to make any statement on the subject.

REPORT OF THE INDIAN COLONIES COMMITTEE.

385. **Seth Govind Das** : Will the Government be pleased to state the result of the labours of the Indian Colonies Committee ? Have they submitted any report ? If so, will the Government be pleased to lay it on the table ?

Mr. J. W. Bhore : With regard to the first part of the question, the Honourable Member is referred to the statement made by the Secretary of State for the Colonies in the House of Commons in reply to Mr. Mills on the 7th August, which has already appeared in the Press. As regards the second and third parts the Government of India have received no report but anticipate no difficulty in giving effect to the Honourable Member's suggestion when one is received.

STATEMENT OF THE SECRETARY OF STATE FOR THE COLONIES REGARDING AFFAIRS IN KENYA.

386. **Seth Govind Das** : (a) Will the Government be pleased to state if their attention has been drawn to the statement of the Secretary of State for the Colonies in Reuter's telegrams published in the *Statesman* of the 9th August regarding affairs in Kenya ?

(b) Will the Government be pleased to state if the said statement has been accepted by them ?

(c) If the reply be in the negative, will the Government be pleased to state as to what steps are proposed to be taken to get the decision modified ?

Mr. J. W. Bhore : (a) Yes.

(b) and (c). The Government of India will avail themselves of a suitable opportunity to make further representations.

RECOMMENDATIONS OF THE INDIAN BAR COMMITTEE.

387. **Seth Govind Das** : Will the Government be pleased to state what action has been taken regarding the recommendations of the Indian Bar Committee ?

The Honourable Sir Alexander Muddiman : The Honourable Member is referred to the answer given to Khan Bahadur Sarfaraz Hussain Khan's question No. 1267 on the 5th June 1924. The replies of some Local Governments and other authorities consulted are still awaited.

RECOMMENDATIONS OF THE INDIAN MERCANTILE MARINE COMMITTEE.

388. **Seth Govind Das :** Will the Government be pleased to state what they propose doing regarding the recommendations formulated by the Indian Mercantile Marine Committee ?

The Honourable Sir Charles Innes : The recommendations of the Indian Mercantile Marine Committee are still under the consideration of Government, and until a decision has been reached it is not possible to say what action will be taken.

SIR SANKARAN NAIR'S BOOK "GANDHI AND ANARCHY."

389. **Seth Govind Das :** Will the Government be pleased to state if Sir Sankaran Nair wrote the book "Gandhi and Anarchy" at the instance of the Government of India ?

THE O'DWYER-NAIR LIBEL SUIT.

390. **Seth Govind Das :** (a) Did the Government assist Sir Michael O'Dwyer in prosecuting his libel case against Sir Sankaran Nair ?

(b) Did the Government help Sir Sankaran Nair in defending the case referred to above ?

The Honourable Sir Alexander Muddiman : The Honourable Member's attention is invited to the statement made in reply to Mr. Gaya Prasad Singh's starred question No. 1675 on the same subject.

CONSUMPTION OF SALT IN THE VARIOUS PROVINCES.

391. **Seth Govind Das :** Will the Government be pleased to lay on the table a statement shewing the consumption of salt in the different provinces since the last budget ? What was the consumption of salt for the same period last year ?

The Honourable Sir Basil Blackett : As explained during the last Budget debate, no exact figures are available as to actual consumption of salt. The available statistics relate to issues of duty-paid salt, which are of course quite a different thing from consumption.

CONVERSION OF THE TUMSAR ROAD TIRODI TRAMWAY INTO A BROAD GAUGE RAILWAY.

392. **Seth Govind Das :** Will the Government be pleased to state if any proposal regarding the connection of Tumsar station to Katangi on the B. N. Railway, by broad gauge line is under consideration ?

Mr. C. D. M. Hindley : No. It is, however, proposed to convert the Tumsar Road Tirodi Tramway into a broad gauge railway, and the work of conversion may be expected to start very soon, as it has been sanctioned by the Secretary of State.

INCREASE OF SALARIES IN THE IMPERIAL SERVICES.

393. **Seth Govind Das** : (a) Will the Government be pleased to state whether they propose to sanction a further increase in the salaries of the Imperial Services in India ?

(b) If so, what will be the total recurring cost per annum, and how are they going to meet this extra expenditure ?

The Honourable Sir Basil Blackett : (a) The Government's attitude has been stated in the recent debate.

(b) It is not possible to reply to this part of the question until final decisions have been reached on the Commission's recommendations.

ADMISSION OF INDIAN CADETS INTO THE ROYAL MILITARY COLLEGE AT SANDHURST.

394. **Seth Govind Das** : (a) Will the Government be pleased to state how many candidates (since the year 1918) have been taken as cadets in the Royal Military College at Sandhurst ?

(b) Of these how many were from the Central Provinces ?

(c) Did the Central Provinces Government recommend any candidates to the Central Government ?

(d) Will the Government be pleased to state the basis on which selection is made for admission to the Royal Military College at Sandhurst ?

Mr. E. Burdon : (a) 61 Indian cadets have been admitted to the Royal Military College, Sandhurst, since the commencement of the spring term of 1919. Before this date, no Indian cadets were admitted to Sandhurst.

(b) None.

(c) Yes. Two candidates were nominated by the Central Provinces Government to attend the Sandhurst entrance examination held in Simla on the 24th September 1923.

(d) I invite the attention of the Honourable Member to the reply given in this Assembly on the 8th March last to part (b) of starred question No. 635.

EMPLOYMENT OF INDIANS AS DECK OFFICERS AND ENGINEERS IN THE ROYAL INDIAN MARINE.

395. **Seth Govind Das** : (a) Will the Government be pleased to state the number of Indians employed in the Royal Indian Marine as Deck Officers and Engineers ?

(b) Will the Government be pleased to state if they contribute towards the maintenance of Royal Indian Marine ? If so, how much ?

Mr. E. Burdon : (a) There are no Indians employed in the Royal Indian Marine as Executive and Engineer Officers.

(b) The entire cost of maintaining the Royal Indian Marine, exclusive of those officers who are employed by Local Governments and Port Trusts, is borne by the Government of India. The cost of the service borne by Central Revenues can be ascertained by a reference to the Finance and Revenue Accounts.

REDUCTION OF INTERMEDIATE AND THIRD CLASS FARES ON THE GREAT INDIAN PENINSULA AND EAST INDIAN RAILWAYS.

396. **Seth Govind Das** : Will the Government be pleased to state if third class and intermediate class fares are going to be reduced on the G. I. P. and E. I. Rys. ?

Mr. C. D. M. Hindley : So far as Government are aware the railways named do not propose to reduce intermediate and third class fares at present.

LIQUIDATION OF THE ALLIANCE BANK OF SIMLA.

397. **Seth Govind Das** : (a) Has the attention of the Government been drawn to the Report of the Investigation Committee on the affairs of the Alliance Bank ?

(b) Does the Government propose to take action on the recommendations formulated therein ?

The Honourable Sir Alexander Muddiman : (a) and (b). I invite the Honourable Member's attention to the replies given by me to Mr. Bhubanananda, Das's starred questions Nos. 1868 and 1869 on the 15th September 1924.

RECOMMENDATIONS OF THE UNIVERSITIES CONFERENCE HELD AT SIMLA.

398. **Seth Govind Das** : Will the Government be pleased to state :

(a) If they propose taking action on the recommendations of the Universities Conference held at Simla ?

(b) If so, will the Government be pleased to specify the details thereof ?

Mr. J. W. Bhore : (a) Yes.

(b) The Indian Universities Conference passed 49 resolutions in all. Some resolutions require action by the Government of India ; most of the others by the Universities. The remaining resolutions do not call for immediate action or are for consideration by the Secretary of State, the Local Governments or other authorities. Such resolutions as permit of immediate action by the Government of India have all been referred to the authorities primarily concerned for consideration, and their decisions are awaited. Those for action by the Universities or the Local Governments will be communicated to the latter during this month as soon as printed copies of the proceedings of the Conference are available. Copies of printed proceedings, including resolutions, will be placed in the Members' Library, at an early date.

RESOLUTION RE SEPARATION OF RAILWAY FINANCE FROM GENERAL FINANCE—*contd.*

Mr. President : The Assembly will now resume the debate on the Resolution* moved† by the Honourable Sir Charles Innes on the 3rd March 1924 :

* " This Assembly recommends to the Governor General in Council that in order to relieve the general budget from the violent fluctuations caused by the incorporation therein of the railway estimates and to enable the railways to carry out a continuous

† *Vide* page 1139 of these Debates.

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railway policy based on the necessity of making a definite return over a period of years to the State on the capital expended on railways :

- (1) The railway finances shall be separated from the general finances of the country and the general revenues shall receive a definite annual contribution from railways which shall be the first charge on railway earnings.
- (2) The contribution shall be a sum equal to five-sixths of 1 per cent. on the capital at charge of the railways (excluding capital contributed by Companies and Indian States and capital expenditure on strategic railways) at the end of the penultimate financial year plus one-fifth of any surplus profits remaining after payment of this fixed return, subject to the condition that if any year railway revenues are insufficient to provide the percentage of five-sixths of 1 per cent. on the capital at charge, surplus profits in the next or subsequent years will not be deemed to have accrued for purposes of division until such deficiency has been made good.

From the contribution so fixed will be deducted the loss in working, and the interest on capital expenditure on strategic lines.

- (3) Any surplus profits that exist after payment of these charges shall be available for the railway administration to be utilised in :
 - (a) forming reserves for :
 - (i) equalising dividends, that is to say, for securing the payment of the percentage contribution to the general revenues in lean years,
 - (ii) depreciation,
 - (iii) writing down and writing off capital :
 - (b) the improvement of services rendered to the public,
 - (c) the reduction of rates.
- (4) The railway administration shall be entitled, subject to such conditions as may be prescribed by the Government of India, to borrow temporarily from capital or from the reserves for the purpose of meeting expenditure for which there is no provision or insufficient provision in the revenue budget subject to the obligation to make repayment of such borrowings out of the revenue budgets of subsequent years.
- (5) In accordance with present practice the figures of gross receipts and expenditure of railways will be included in the Budget Statement. The proposed expenditure will, as at present, be placed before the Legislative Assembly in the form of a demand for grants and on a separate day or days among the days allotted for the discussion of the demands for grants the Member in charge of Railways will make a general statement on railway accounts and working. Any reductions in the demand for grants for railways resulting from the vote of the Legislative Assembly will not enure to general revenues, i.e., will not have the effect of increasing the fixed contribution for the year.
- (6) The Railway Department will place the estimates of railway expenditure before the Central Advisory Council on some date prior to the date for the discussion of the demand for grants for railways."

The House will observe that that Resolution stands in the name of the Honourable Sir Charles Innes, the Commerce Member, and that he also has an amended Resolution on the paper. I have to inform him and the House that someone else will have to move the Resolution standing as an amendment in his name on the paper.

The Honourable Sir Henry Moncrieff Smith (Secretary, Legislative Department) : Sir, I beg to move the amendment :

"That for the original Resolutions the following be substituted, namely :

"This Assembly recommends to the Governor General in Council that in order to relieve the general budget from the violent fluctuations caused by the incorporation therein of the railway estimates and to enable railways to carry out a continuous railway policy

based on the necessity of making a definite return to general revenues, on the money expended by the State on railways :

- (1) The railway finances shall be separated from the general finances of the country and the general revenues shall receive a definite annual contribution from railways which shall be the first charge on the net receipts of railways.
- (2) The contribution shall be based on the capital at charge and working results of commercial lines, and shall be a sum equal to one per cent. on the capital at charge of commercial lines (excluding capital contributed by companies and Indian States) at the end of the penultimate financial year *plus* one-fifth of any surplus profits remaining after payment of this fixed return, subject to the condition that, if in any year railway revenues are insufficient to provide the percentage of one per cent. on the capital at charge, surplus profits in the next or subsequent years will not be deemed to have accrued for purposes of division until such deficiency has been made good.

The interest on the capital at charge of, and the loss in working, strategic lines shall be borne by general revenues and shall consequently be deducted from the contribution so calculated in order to arrive at the net amount payable from railway to general revenues each year.

- (3) Any surplus remaining after this payment to general revenues shall be transferred to a railway reserve ; provided that if the amount available for transfer to the railway reserve exceeds in any year three crores of rupees only two-thirds of the excess over three crores shall be transferred to the railway reserve and the remaining one-third shall accrue to general revenues.
- (4) The railway reserve shall be used to secure the payment of the annual contribution to general revenues : to provide, if necessary, for arrears of depreciation and for writing down and writing off capital : and to strengthen the financial position of railways in order that the services rendered to the public may be improved and rates may be reduced.
- (5) The railway administration shall be entitled, subject to such conditions as may be prescribed by the Government of India, to borrow temporarily from capital or from the reserves for the purpose of meeting expenditure for which there is no provision or insufficient provision in the revenue budget subject to the obligation to make repayment of such borrowings out of the revenue budgets of subsequent years.

- (6) A Standing Finance Committee for Railways shall be constituted consisting of two nominated official members of the Legislative Assembly one of whom should be Chairman, and ten members elected by the Legislative Assembly from their body. The members of the Standing Finance Committee for Railways shall be *ex-officio* members of the Central Advisory Council, which shall consist, in addition, of not more than two further nominated official members, five non-official members selected from a panel of eight elected by the Council of State from their body and five non-official members selected from a panel of eight elected by the Legislative Assembly from their body.

The Railway Department shall place the estimates of railway expenditure before the Standing Finance Committee for Railways on some date prior to the date for the discussion of the demand for grants for railways.

- (7) The railway budget shall be presented to the Legislative Assembly if possible in advance of the general budget in order that more time may be allotted for its discussion, and the Member in charge of railways shall then make a general statement on railway accounts and working. The expenditure proposed in the railway budget, including expenditure from the depreciation fund and the railway reserve, shall be placed before the Legislative Assembly in the form of demands for grants. The form the budget shall take after separation, the detail it shall give and the number of demands for grants into which the total vote shall be divided shall be considered by the Railway Board in consultation with the proposed Standing Finance Committee for Railways with a view to the introduction of improvements in time for the next budget, if possible.

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(8) These arrangements shall be subject to periodic revision but shall be provisionally tried for at least three years."

The Honourable Sir Charles Innes (Commerce Member) : Sir, the House will remember that when I placed this subject before them in March last they decided to refer it for examination by a committee. That committee submitted a preliminary report a few days later. The report was to the effect that while they were in favour of the principle of separation they had not been able within the time allowed to satisfy themselves fully as to the effect of the proposals on the control of the Assembly over Railway finance and policy and as to the amount and form of the contribution to be paid by Railways to general revenues. Consequently, they asked that a discussion of the subject might be postponed till this Session. Since then, Sir, we have laboured much both in sub-committee and in the main committee and our final report has, I think, been in the hands of Honourable Members for the last few days. I regret very much that it was not a unanimous report in all respects, and I regret it the more because it is likely to make my task to-day somewhat harder. But, Sir, this matter is a matter of vital importance to Railways. The Resolution represents the considered policy of the Government of India, and it is clear that we can accept a decision in this matter only from the Assembly itself. You will all agree, I think, that it is only right that Government should submit to this Assembly a reasoned statement of the reasons why they think that the House ought to adopt that policy. The House will know from the amended Resolution just moved by Sir Henry Moncrieff Smith that we have made some changes in the form of the original Resolution. There are one or two changes of substance notably as regards the amount of the contribution and also in regard to the constitution of the Central Advisory Council, but we have redrafted the Resolution generally in order that we might clear away certain misconceptions to which our original Resolution undoubtedly gave rise and in order that we may bring out the intentions of Government more clearly. Now, Sir, I am quite sure that I shall have the sympathy of the House in the task which lies before me to-day. I have done my best to lighten my labours by circulating a large amount of literature on this subject, and may I say this? Whatever view the House may take of the merits of my Resolution, I am quite sure that they will agree with me that we are all under an obligation to Mr. Parsons, the Financial Commissioner, for these memoranda which he has circulated. But, Sir, in spite of all this literature it must be admitted that this question of the separation of railway finance from general finance is a very technical and a very difficult one and I have no doubt that many Honourable Members in this House are not very clear in their minds what we want to do or why we want to do it. I will therefore endeavour to explain my proposals in the simplest possible language, but I hope that the House will accept the speech I am going to make to-day as a supplement to the memoranda which we have circulated to the House and which explain our proposals in greater detail. And may I begin, Sir, by saying just a word or two about Indian Railways? As everybody knows in this House, most of our Railways are mainly owned by the State. They are managed, some by the State and some by companies, and in the aggregate they constitute the most gigantic commercial undertaking in India. Let me give the House a few statistics. Taking our commercial lines alone, the capital charge at the end of March last amounted to 541 crores. In the current year we are budgeting for gross receipts exceeding 97 crores of rupees and for working expenses exceeding 66 crores of

rupees. Last year we carried in our railways nearly 600 million passengers and more than 90 million tons of goods. I give those figures in order that I may bring home to the House what enormous part our Railways play in the life and in the commerce and industry of India, and that I may also bring home to the House how supremely important it is that our system of financing this enormous undertaking should be suited to its needs. May I also just make a passing reference to the nature of our railway property? As everybody knows, it consists of thousands and thousands of miles of railway lines, innumerable stations, huge bridges, big goods yards and an immense quantity of rolling stock. The point I want to bring out is that in railway work we must look ahead. We must take long views. If we do not, then we merely lay up for ourselves trouble and additional expense in the future. Let me give an instance. Everybody has heard of bottleneck stations. I am afraid there are stations of that kind in India, though I hope that we are reducing their number. What does the expression mean? It means a station where the traffic has outgrown the capacity, where railway traffic cannot be handled adequately or expeditiously or with real efficiency, and a station of that kind not merely causes loss and delay to traders in the vicinity, but it reacts, and this is the point I want to bring home, on the efficiency of the whole of the line. Now, Sir, a remodelling scheme for a station takes many years to put through. In fact I think I am correct in saying that I had a project put up to me the other day for remodelling one of our stations which it was estimated would take 13 years to complete and I hope the House will realise that when we embark on a project of that kind we must see our finance ahead of us throughout the years through which it will be necessary to carry out the project. If we do not, if we merely have to depend on such money as can be spared to us year by year, then the result is inevitable. Haphazard finance and stations which have outgrown their capacity, one of those bottle-neck stations which hamper the efficiency of our railways throughout India. No remedy is possible—this is the view we take—for a state of things like this as long as your railway finance is dependent upon your general finance. I think I may claim that that was the main burden of the financial recommendations of the Acworth Committee's Report. Let me give just one almost staccato phrase or rather paragraph taken from that report. They say :

“ We do not believe that it is possible to fit railway management into the rigid framework of the existing financial system of the Government of India. We do not think that Indian railways can be modernised, improved and enlarged so as to give to India the service of which it is in crying need at the moment, nor that railways can yield to the Indian public the financial return which they are entitled to expect from so valuable a property, until the whole financial methods are radically reformed. The essence of reform is contained in two things ; first, the complete separation of the railway budget from the general budget of the country and its reconstruction, which will free a great commercial business from the trammels of a system which assumes that the concern goes out of business on each 31st of March and recommences *de novo* on the 1st of April. And secondly, the money spent in railway management should be free from the control of the Finance Department.

May I say, Sir, that throughout its Report the Acworth Committee spoke of the Finance Department not with any idea of criticising that Department but as a convenient way of expressing its disapproval of a faulty system. As I have said, Sir, the passage I have quoted represents the main burden of the Acworth Committee's Report on the financial side. They attached so much importance to it that even that half of the Committee which recommended the adoption of a policy of State management considered that the adoption of this policy of

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separation should be a condition precedent to the adoption of the policy of State management. Let me read the passage :

“ Our recommendation as to State management must therefore be read as coupled with and conditional on the adoption at least substantially and in main outline of the recommendations which we have made with respect to the financial and administrative reforms.”

Since the Acworth Committee's Report was received I am glad to say that we have made one important advance, and we have made that advance with the co-operation of this House. This House has been good enough to secure to us the funds for the capital portion of our rehabilitation programme. But, Sir, experience has shown that it is not enough, as the Acworth Committee say, and it is a commonplace in every commercial undertaking capital expenditure and revenue expenditure are constantly intermixed. The defect in the present system is that, though we have secured to us the capital portion of our rehabilitation programme, we have no similar security in regard to the revenue portion of it. That is to say we are not yet in that position which the Acworth Committee predicated as necessary for the proper running of the Railways. They said that it was absolutely necessary to treat Railways :

“ as a continuously going concern with a carefully thought out programme both of revenue and of capital expenditure for years ahead with provisional financial arrangements to correspond.”

As I have said, the existing system fails because we have not got that security in regard to the revenue portion of the programme. That is our first and our main objection to the present system of railway finance. Let me develop further objections. A convenient term for the revenue portion of our rehabilitation programme is “ programme revenue expenditure ”. That is the term we use. That expenditure is not voted till March, and it is voted in March for the year beginning on the 1st April next. This delay in giving us our financial grants is one reason why we usually find difficulty in spending fully the grants for programme revenue expenditure which we get. Now, what happens ? The unexpended balances of these grants go into our surplus. They represent money which is ear-marked for the purpose of keeping our railway property in proper order. Nevertheless, they go into the surplus. They are merged in general revenues ; no part comes back to the railways. Indeed under the present system it is quite impossible to make provision for arrears of renewals or arrears of depreciation. We had a committee on the question of depreciation which examined the whole subject about a year and a half ago. That Committee found that the arrears of our renewals which had accrued during the war when our surpluses were taken by general revenues for their own purposes amounted to no less than 18½ crores of rupees, and that figure was accepted by the Retrenchment Committee. In these proposals which I am now putting before you we make no claim on general revenues for that money, but I think that the House will see that a system which allows arrears to pile up in that way without making any provision for them must be a faulty system. The system again fails psychologically. We who are responsible for the running of railways are not given any inducement to economise. If by taking thought we effect economies, the benefit of those economies goes entirely to general revenues ; nothing comes to us. Again, under the present system there are no railway reserves. Imagine a great commercial concern without reserves ! It

is particularly embarrassing to Railways, for, as every one knows, the prosperity of the Railways depends upon the state of the season and the state of trade. Again, the present system is inconvenient to the Finance Department. It leads to violent fluctuations in the returns from Railways, and those fluctuations are necessarily most embarrassing to any one who has to make the budget.

Now, Sir, perhaps I may summarise very briefly the objects which we have in view in submitting this reform for adoption by this House. In the first place, as far as State railways are concerned, we want to abolish altogether this system of programme revenue voted for a year. We want to establish a proper depreciation fund, a depreciation fund arranged in a scientific and intelligible manner. Secondly, we want to build up railway reserves. We want to build them up in order that our finances may be more elastic, in order that we may have provision to equalise dividends. And generally, we want to introduce a system of finance which, while maintaining unimpaired the control of this House and while ensuring to general revenues a fair return from their railway property, will be more suited to the needs of a vast commercial undertaking. Finally, and most important of all, we want to establish a principle. It is right and proper that the tax-payer, the State, should get a fair and stable return from the money it has spent on its Railways; but if you go further, if you take from the Railways more than that fair return, then you are indulging in a concealed way in one of the most vicious forms of taxation, namely, a tax on transportation. One of the objects we have most at heart in putting these proposals before this House is to establish that principle.

These then are the reasons why we are asking the House to accept this reform which was insistentlly pressed by the Aesworth Committee, namely, the reform of separating your railway from your general finance. We considered the possibility of legislating in the matter, but we decided that it would be preferable to proceed in the manner suggested in the Resolution; that is, we decided that it would be preferable to ask this House to agree to a convention. There are some advantages in a convention which can be adjusted from time to time to varying needs and difficulties. It can even be adjusted to the ordered progress of the constitution. It was always our intention, whatever the arrangements we might come to with the House, that those arrangements should be subject to periodical revision; and the House will see that on the recommendation of the Committee we have definitely provided for this in the last clause of the amended Resolution. The operative part of the Resolution, at any rate in the aspect from which I am dealing with the question at present, is contained in the first five paragraphs.

I will now take up the question of the form and amount of the contribution. As regards the form, I do not think that I need say very much since the Committee was unanimous on that point. We propose that the contribution should be based on the capital at charge on commercial lines and that in addition general revenues should get a share of the surplus profits. That means that whatever new capital we put into this concern, you will always get from railway revenues not only the ordinary interest charges on that capital but one per cent. in addition. I think the House will agree that that is an onerous obligation on Railways, for when we put new capital into new lines, it is years before we get a return from it; but let me pass on to the amount

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of the contribution. Our original proposal was that the contribution should be based on five-sixths of one per cent. on the capital at charge on commercial lines *plus* one-fifth of the surplus profits. We have had considerable argument about this point in the Committee, and as the House will see from the amended Resolution moved by Sir Henry Moncrieff Smith, we have decided to accept the Committee's proposal, namely, that the amount of the contribution should be raised to one per cent. on the capital at charge *plus* one-fifth of the surplus profits and, in addition, we have also agreed to the condition in clause (3) of the Resolution that if the amount available for transfer to the railway reserve exceeds in any year three crores of rupees, only two-thirds of the excess over the three crores should be transferred to the railway reserve, the remaining one-third accruing to general revenues. Before I go further into the question of the amount, I should just like to make one point clear. Our proposal is that the contribution should be based on the actuals of the penultimate year; the reason for that is that the Finance Department may be in no doubt whatever as to the exact amount they are going to get, but in respect of the current year, if our proposals are accepted, we propose to vary that condition. We propose to base the contribution in the current year on the actuals of last year, and the reason for that is that it would not be fair to my Honourable friend on my right to base the contribution on the actuals of 1922-23. That happened to be a bad year and it was also a year in which we had not yet succeeded in getting the full benefit of the Incheape cuts. As a preliminary, a provisional arrangement, in the first year we propose to base the contributions on the actuals of last year. Now if the proposals in the amended Resolution are accepted, it means that in the current year we shall pay to general revenues a gross contribution of nearly 639 lakhs of rupees. But from that you have got to deduct the loss on the working of strategic lines and the interest on the capital on strategic lines, and so the net contribution in the current year will be Rs. 5,19,19,000; that is to say, the effect of our accepting the proposal of the Committee is that we shall pay Rs. 73 lakhs more than we contemplated when we made our original suggestion. A contribution of five-sixths of one per cent. of the capital at charge *plus* one-fifth of the surplus profits would have yielded us in the current year 446 lakhs. We are now raising that contribution to 519 lakhs. Now the first point of course that the House will want to be satisfied on is this—they will want to know whether the contribution of that amount is enough. The first point I have to make in regard to this is, I should like the House to realize, that any figure we may take for the contribution must be more or less an arbitrary figure, and the main point I think which the House ought to bear in mind is this, that the more you take from the Railways, the longer you postpone the day when we can reduce rates and fares, and the longer you maintain rates and fares at a high level. I should also like to make it perfectly clear, with reference to an amendment of which I see notice has been given, that in addition to this gross contribution of 639 lakhs we expect to pay in the current year interest charges amounting to nearly 24 crores, that is to say, in all we shall pay in the current year something like Rs. 30½ crores, those 30½ crores being made up partly of our interest charges and partly of the dividend which we pay to the general tax-

payer. Again, if the House will turn to the statement on page 9 of the memorandum circulated by Mr. Parsons, they will find that in the current year our earnings; according to our budget estimates will be 5.43 per cent. of the capital at charge. I have brought that point out because I think that answers the criticisms of those who think that the introduction of this reform should be postponed until the railways come to a more normal working. I am sure the House will realize and will agree that when we get a return of 5½ per cent. on our property we reach the standard of revenue which we should reasonably expect from it.

The next point I wish to bring out is that the House has got to remember that we have to pay this one per cent. on all our capital at charge on commercial lines. I have just referred to the fact that it takes some years before we get a return upon new capital, especially new capital sunk in new lines. Further, we undertake to pay the dividend year by year and we take the risk of the season. When the season is good and trade is good, our earnings go up; when the season is bad and trade is bad, our earnings go down. But whatever the state of the season, whatever the state of trade, we undertake to pay this dividend year by year. We have to take that consideration into account in deciding whether the dividend is sufficient or not. It seems to me therefore that the real question is, not whether general revenues are getting enough but whether they are not taking from the Railways too much. And I should like to explain the reasons why we have agreed to this enhanced contribution. There is only one reason, and that is this. We expect this year to be a good year, and I hope the House will follow me carefully here for I do not want them to accuse me in March next of having tried to mislead them into accepting these proposals by concealing our hopes in regard to the current year. We have only got four months' actuals to go upon, and it is too early to prophesy with absolute confidence, but so far, we have undoubtedly done well, and Mr. Parsons hopes that at the end of this year we may be a net two crores better than our Budget estimates. Of course we may do better, still, but it would be unsafe to count on that. But if Mr. Parsons' hopes are realized, it means that we shall not only be able to pay to general revenues this net contribution of 519 lakhs but we also hope to put into the railway reserve something like Rs. 2½ crores. And it is only because we hope to begin next year, with this 2½ crores of rupees, in our reserve, that we can agree to this contribution. I should like to emphasise again the point I made before that the main point that the House should look to in deciding this question is not whether or not this contribution is enough or too much, but that if you take too big a contribution you only succeed in maintaining rates and fares at too high a level.

I should just like to refer very briefly now to two points. One is the depreciation fund. We want altogether to abolish this system of Programme Revenue in so far as the State lines are concerned. We want to replace it by a properly arranged depreciation fund. At the suggestion of the Central Advisory Council about 18 months ago, we appointed a Committee to inquire into the whole of this question. We were not able to accept all their recommendations, but that Committee did furnish us with very valuable information regarding the life of our different classes of wasting assets. As a result of their report, we hope to be able to establish this fund and we hope to be

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able to pay into this fund a yearly contribution based, as I have said, upon intelligible and scientific calculations; and as a result of that, we hope that we shall have in the Fund eventually enough to replace the cost of each class of wasting asset when that asset is worn out; and if we can do that, then we shall be able to carry out another important reform suggested to us by the Incheape Committee, namely, the reallocation between Capital and Revenue so as to relieve, temporarily at any rate, the charge upon Revenue. We cannot do that at present with Company Railways, because it would not be in our interest to relieve Revenue Charges of Company Railways too much. But I should like to emphasise the point that if we establish this Fund, everything that goes into the Fund and everything that comes out of the Fund will be subject to the vote of this Assembly, and I may say the same will be the case with the railway reserves. It will require a vote of the Assembly to pass money into the reserve and also requires a vote of the Assembly to pass money out of the reserve. The value of these reserves to us will be not only that they will serve as equalisation of dividend fund, but that they will also enable us to make up for arrears of depreciation, and finally—and this is one of the most important benefits we hope to get from this fund—it will enable us to adopt a bolder Railway policy. It will enable us to take our courage in both hands and to reduce rates and fares.

Now, Sir, I pass on to a question which I know is exercising the minds of some Honourable Members very much, namely, the question whether these proposals of ours will effect the control which the Assembly now exercises over our finances, and of course through its control over our finances, the Assembly influences our policy. Mr. Parsons has circulated a very long memorandum upon that subject, and I hope that that memorandum has satisfied everybody in this House that the effect of these proposals will not be to impair the control of the Assembly over the Railway budget. Of course if the Assembly accepts these proposals, they will not have so much inducement to make big cuts in our budget, for the effect of these cuts will not be to benefit general revenues. They will merely go into the railway reserves. That I admit, but at the same time, the House will realise that those cuts will be very embarrassing, just as embarrassing as they are now, to the Government of India. Supposing for example, although I hope it will not happen, that the Assembly decides to cut down the provision for the Railway Board establishment. Well, if they do that, that money will go into the railway reserve, but we shall not be able to pay those establishments, unless the Governor General in Council decides to restore that grant, that is to say, we shall be placed in precisely the same awkward predicament that we are placed in now.

Then, again, Sir, it has been suggested to me that it would be dangerous for the Assembly to agree to these proposals, because if they did, they would be admitting the principle that the Railways are a commercial department, and that, when in the future they press upon us any particular question in which they are very interested, such as Indianisation, or something of the kind, they will be always open to the retort. "You declared the Railway Department to be a commercial department, you have laid upon us the obligation to pay a heavy contribution every year and we cannot do what you want consistently with efficiency and economy." I have tried my very best to state

as fairly as I can the argument as it was stated to me. On it the first point I would like to mention is that you will not be any the worse off than you are now in that particular matter. Secondly, I would like to bring out the following facts. The Railway Board have been working at the separation for the last 15 months. All our activities in the Railway Board have been orientated with reference to this day, the day when we hope to get separation. Now, Sir, in spite of that fact we have not raised any objection to various measures which I know this House took great interest in. We did not ask for a lower contribution on account of the Act which removed the exemption of Government Stores from import duty. We did not ask for any lower contribution on account of the Steel Protection Act, in spite of the fact that these two Acts will increase our Revenue charges in the Railway Department by 40 lakhs per annum. May I remark parenthetically that if this separation proposal goes through, those 40 lakhs per annum are a real gain to the tax-payer; if the separation proposal does not go through, there will be no gain to the tax-payer at all. It will merely be transferring from one pocket to another. Let me point out certain considerations on the other side. In the first place, we are perfectly convinced, on these benches at any rate, that these proposals point out the true direction in which this Assembly can enforce economy and efficiency in our Railway maintenance. Secondly, I hold that the proposals will have the effect of increasing, rather than impairing, the control of this Assembly. If the proposal were accepted, we shall no longer be debarred from putting up the Railway budget in advance of the Honourable Finance Member's speech. We hope that we may be able to put up the Railway budget, say in February and to allow longer time for the discussion than is possible at present. We may be able to go even further and put the Railway budget up to this House in September, but that involves an amendment of the Government of India Act, and it is a matter for the future. Again, we have undertaken to examine the form of our budget, examine the number of votes into which it is divided and to see whether we can improve generally the way in which we put our budget before you, in order that you may exercise your control better. Again, we have agreed to the reconstitution of the Central Advisory Council on a very popular basis. We have agreed to the institution of a Standing Railway Finance Committee, and I think that what I have said in that respect will show that we do not fear your control; indeed we welcome it. I do hope the House will realise that nothing is further from our thoughts in putting these proposals before the House than that we should impair in any way the control of this House. That was never our intention. Our intention was merely to put up to the House an administrative and financial form to which we attach the greatest importance. We are convinced that unless this House adopts that reform, we shall never be able to manage our Railways as efficiently and economically as they should be managed.

Now, Sir, I have laid all my cards on the table both here and in these Committees. I claim that we have concealed absolutely nothing from the Members of this House. There is no catch of any sort or kind in these proposals. We have been working at them for the last 15 months, because we are satisfied that these proposals will lead to what is best for Indian Railways, and that means for Indian trade, Indian Commerce.

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and the Indian tax-payer. May I wind up by an appeal to this House. May I express the hope that this House will take these proposals in the spirit in which we offer them, that they will consider them purely on their merits and that they will co-operate with us. We may be bureaucrats, but the House must realise that we are just as keen on the interests of India as anybody in this House. And we have put up these proposals because we are satisfied that they are in the real interests of India.

Sardar V. N. Mutalik (Gujarat and Deccan Sardars and Inamdars : Landholders) : I want to put just one question, Sir. I did not like to disturb the Honourable Member when he was delivering his speech. May I know, Sir, at what rate the interest is being calculated and also what is being done about annuities ?

The Honourable Sir Basil Blackett (Finance Member) : I can answer this question, Sir. The interest is being charged at the actual rate which it costs the Government of India. The interest portion of the annuities is also being charged in the same way. The capital portion of the interest, as was explained in connection with the Budget this year, is treated as part of the general provision for the redemption of debt.

Mr. A. Rangaswami Iyengar (Tanjore *cum* Trichinopoly : Non-Muhammadan Rural) : Sir, the Honourable the Commerce Member said that if the convention that is sought to be established by this Resolution comes into force, they will be able to give profits to the tax-payer. May I know, Sir, by what process of law or of constitutional procedure these Conventions are going to be given effect to if this Resolution is passed by this House.

The Honourable Sir Charles Innes : There is no process of law at all. They will be given effect to by an agreement between the Government and the House.

Mr. A. Rangaswami Iyengar : May I know, Sir, whether the powers which would be exercised in respect of this arrangement are going to be exercised by the Government of India, or by the Secretary of State, or by the Assembly or by all ?

The Honourable Sir Charles Innes : I do not think, Sir, that the position, if this Resolution is accepted, will be any different from what it is now. We shall put before this House the Budget every year, even if our proposals are carried out, as we do at present. It would be open to the Assembly to scrutinise that Budget in its usual careful manner and to make any cuts that it may like to make. But we will ask the Assembly to agree that, if it does make any cuts, those cuts will not go to the general revenues but will merely go to the Railway revenues. In other words, we ask the Assembly to fix an annual contribution in the manner which I have tried to explain.

Mr. K. G. Lohokare (Bombay Central Division : Non-Muhammadan Rural) : May I know, Sir, what is the reply to the question put by Sardar V. N. Mutalik in regard to annuities ?

The Honourable Sir Basil Blackett : I have already answered the question regarding annuities. In so far as the interest is concerned, it will be charged to the Railways in the Railway-Budget and the charge

will be exactly equivalent to the amount of interest calculated in the annuities. In so far as the capital is concerned, as was explained in connection with the Budget this year, the charge for the capital has been transferred from the Railway Budget to the General Budget as a provision for redemption or avoidance of debt.

Mr. A. Rangaswami Iyengar : I desire to know whether, as a result of the passing of this Resolution, the Secretary of State will have to devolve powers to the Government of India or make use of his own powers for the control of expenditure under Railways ?

Mr. A. A. L. Parsons (Financial Commissioner, Railways) : No.

Mr. President : The House will observe that there are two different lists of amendments. Those amendments which relate to the original Resolution as moved by the Honourable the Commerce Member now fall to the ground. So the amendment which the House will discuss is actually the amendment moved by the Secretary in the Legislative Department. I propose to set aside the amendments which are not now pertinent and take those which, I presume, represent the desires of the Honourable Members to-day. That being so, it seems to me that, in the interests of an orderly debate, the amendment of which Sir Purshotamdas Thakurdas has given notice, namely, that the proposals of the amended Resolution only be given effect to provided the Government agree to the two propositions which he lays down in the paper, represents the most crucial alternative to the proposals of the amended Resolution itself. Therefore, I propose to call upon Sir Purshotamdas Thakurdas to move his amendment before any other, with this possible exception that, if the Honourable Member from Bihar and Orissa desires to move that the consideration of the amended Resolution be adjourned *sine die*, then I shall have to call upon him. I have been given to understand that Mr. Neogy does not propose to move his dilatory motion. But, if Khan Bahadur Sarfaraz Hussain Khan wishes to move his amendment, I shall have to call upon him before Sir Purshotamdas Thakurdas.

Khan Bahadur Sarfaraz Hussain Khan (Patna and Chota Nagpur *cam* Orissa : Muhammadan) : I wish to say only one word, Sir. There will be no necessity for me to move my amendment if the amendment of Sir Purshotamdas Thakurdas is accepted by the Government.

Mr. President : Then may I take it that the Honourable Member does not wish to move his amendment ?

Khan Bahadur Sarfaraz Hussain Khan : I do not wish to move my amendment if the amendment of Sir Purshotamdas Thakurdas is accepted by the Government.

Mr. President : We cannot make a conditional proposal. The Honourable Member has the prior right to move his amendment for the postponement of consideration. If he gives up that right, then I will ask Sir Purshotamdas Thakurdas to move his amendment.

(Khan Bahadur Sarfaraz Hussain Khan did not reply.)

Mr. President : Sir Purshotamdas Thakurdas.

Sir Purshotamdas Thakurdas (Indian Merchants' Chamber : Indian Commerce) : Sir, I rise to move the following amendment to the amended Resolution now before the House :

"Add the following as an additional clause to the amended Resolution :

Clause 9. The above proposals be given effect to provided the Government agree to the following :

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- (a) That no Railway Line now under State management and no Railway Line now managed by a Company whose contract may hereafter expire should be handed over to Company management without the previous approval of the Legislative Assembly ;
- (b) That the railway services should be rapidly Indianised, and further that Indians should be appointed as Members of the Railway Board as early as possible."

Before I begin my remarks on this amendment, I think the whole House will agree with me if I say that the Honourable the Commerce Member has treated the House to one of those clear and fluent speeches which he is generally accustomed to deliver in this House, whenever he moves an important subject—speeches which show the great grasp and his usual broad view that the Honourable Member takes in handling questions of such importance as this. I wish, Sir, also to make it clear that I move this amendment on behalf of the Nationalist Party in the Assembly. The Honourable the Commerce Member observed in the preliminary observations that the matter that he has now put before the House is one of vital importance to the Railways of India. He further gave figures to the House showing what a great machine the Railways of India were to handle and what an important asset it is to the tax-payer of India. These, Sir, are exactly the grounds why I wish to put before the House certain subjects which have been fully discussed both in the sub-committee and in the committee appointed by the House and which should be brought to the notice of this House in a prominent manner in the form of an amendment. I need hardly say that this House, as representing the tax-payers of India who have put in crores and crores of rupees either directly or indirectly for the Railways of India, is very jealous that the people and the tax-payer should now begin to get the fullest advantage out of their investment. And it is with this aim that this House may wish to assert its right in regard to having a substantial say in connection with any change in the Railway policy that may be followed by the Government of India.

The Honourable Commerce Member referred to the number of statements put up by Mr. Parsons before the Committee and which are now circulated to the Assembly,

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and generally speaking to the great ability with which Mr. Parsons served all the requirements of the members of the Committee. I wish to join in that expression of appreciation as a non-official Member connected with this question both in the sub-committee and committee stages. I do not think the Honourable Commerce Member will misunderstand me if I say that working on the sub-committee and committee on these occasions, a non-official member like me was greatly impressed by the great zeal and energy and readiness with which Government officials from the Chief Commissioner of Railways downwards worked in order to prepare this subject for the Assembly at this stage. I do not think I will be misunderstood when I say that many non-official members would like the same zeal to be shown by Government officials in other similarly important subjects which may be hanging fire before the Assembly. But I would like, Sir, just to strike a discordant note here and point out to the Honourable Commerce Member one particular subject in which I am afraid the members of the sub-committee and committee did not get the information that they sought. There is no doubt that this subject of separation of the two budgets is an important subject. Indeed the Government of

India themselves have taken the best part of three years to make up their minds about it. The subject was before the Assembly in December 1921 when they had a special meeting of their committee in Calcutta and the matter was put off for further consideration and fuller examination. The subject therefore must have needed considerable correspondence and exchange of despatches between the Secretary of State and the Government of India as regards, firstly, whether the Secretary of State was prepared to give this additional power to the Government of India or to this Assembly, and, secondly, as to the details of the powers which he is prepared to give up on agreeing to the separation of budgets. I understood at the sub-committee meeting that the Government of India were not prepared to take the committee into their confidence as far as these despatches were concerned.

Diwan Bahadur T. Rangachariar (Madras City : Non-Muhammadan Urban) : What is the additional power ?

Sir Purshotamdas Thakurdas : The power of devolution from the Secretary of State to the Government of India, about which you heard a question just before I commenced my remarks.

I do not know whether in such an important subject like this, when the Government of India claim that they put all their cards on the table, there was anything in the constitution which prevented them from taking the members of the committee into their confidence by letting them see copies of the despatches between the Government of India and the Secretary of State. I dare say there may be nothing by which we may benefit by a perusal of these despatches ; but at the same time I mention this particularly because the Honourable Commerce Member claimed it as his usual practice that he had put his cards on the table. The fact of his inability to put the despatches between the Government of India and the Secretary of State at the disposal of this House has undoubtedly led to some sort of justifiable suspicion by the members of the committee as to why these despatches were being withheld.

Sir, there are five minutes of dissent in the Committee's Report. I propose to deal with the last minute, the one which particularly refers to the three conditions mentioned in para. 6 of the Committee's Report. With your permission, Sir, I hope the House will allow me to deal first with condition No. 2 mentioned in para. 6 of the Committee's Report, that no railways should be handed over to a private company without the prior approval of the Legislative Assembly. I think this is the one condition named by the dissenting members on the Committee, which really has given rise to certain apprehensions in the mind of the Government of India. I would like, Sir, to put before the House, as fully and as impartially as I can, the reasons why this House should insist that when they agree to the separation of the budgets, and that within certain limits the railway revenue may be handled by officers appointed by the Government of India, it is only right that they should at the same time make sure that whilst devising this very necessary method of putting State management on an unassailable basis none of their property shall be taken out of State management and transferred to Company management without the express approval of this House.

To begin with, Sir, the Honourable Commerce Member himself moved an amendment in the Assembly on the 27th February 1923, when the Assembly decided upon State management of Indian railways, without any

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qualification. He pressed and indeed took the House to a division on the following. He said that he thought that

“ efforts should be continued to concert measures with the object of handing over one or other of the two railways (i.e., the East Indian Railway and the Great Indian Peninsula Railway) after such grouping as may be necessary to an indigenous company calculated to give India the benefits of real Company management.”

An amendment to this effect was moved by the Honourable Member himself and was lost in the House. Later on, in the Administration Report of Indian Railways for 1922-23 it is stated that Government propose to continue these efforts to take over these railways eventually on the basis of real Company management. Subsequent to this, as the House knows now, because it has been repeated *ad nauseam*, Diwan Bahadur Ramachandra Rao moved a Resolution saying that whenever there was a contract to be made by the Government for the working of State railways, the contract should be placed on the table of the House before being finally confirmed. That Resolution, although passed without a division, has been rejected by the Government of India. All this may, I think, very reasonably be taken to deepen the apprehensions of many of the Members of this Assembly. The Government may, above the heads of the Assembly and indeed without their knowledge, enter into a contract either themselves, or the Secretary of State may do it, to have either the East Indian Railway or the Great Indian Peninsula Railway, or any of the railways in India, managed by a company. The minority section of the Acworth Committee in their Report submitted two schemes of Company management. The Railway Board circularising various commercial bodies in India and the Provincial Governments in their letter put forward two more schemes of Company management. In spite of all these the Assembly came to a decision in favour of State management. In spite of all this we hear constantly from Government that they are in search of a species of management of certain railways which can be said to be “ real ” Company management. Is it unreasonable for this House, when they agree to an important reform of the nature of separation of the budgets and of the nature indicated, that certain revenues of the Railways shall be handled by the executive officers of the Railway Department without any right to this House unless they broke the convention to touch those monies. I wonder, when such reforms are under consideration, if it is wrong for this House to say to the Government that, whilst they devise a better and sure method for successful handling of State management of railways, Government shall also give an undertaking that they will not use the power which they claim they have of handing over any of the railways of India to Company management at their discretion.

The Honourable Sir Charles Innes : May I correct a statement made by the Honourable Member. The Honourable Member has just stated that the House is asked to agree now that certain revenues of the Government of India shall be managed by certain officials of the railways. I am afraid the Honourable Member has not understood what I have said. I presume he is referring to the depreciation fund and the reserve fund, and I thought I made it perfectly clear that any money which comes into such funds must be voted by this House, and that this House's vote will be required to any money which is expended from either fund. The position will not be different from what it is already.

Sir Parshotamdas Thakurdas : I have no doubt I have understood the position absolutely clearly, indeed my working on the two Committees

would be useless if I had not correctly understood the whole scheme. I really do not remember if I expressed myself clearly, but I will make myself clear. This House to-day refuses, if it passes this proposal, to separate the two budgets, to take anything from the railway budget, even if the use that they may make of that money will be to let it remain in the reserve fund ; to that extent the House is making a self-denial. I do not know if the Honourable the Commerce Member will agree with me there ; is that all right ?

The Honourable Sir Charles Innes : No.

Sir Purshotamdas Thakurdas : May I ask the Commerce Member then what happens in case there is a separation of the budgets this House makes a cut of 50 lakhs of rupees at budget time ; are you going to hand it over to the Finance Department ?

The Honourable Sir Charles Innes : As I said, that money will pass into the reserve fund. What the Honourable Member said was that these revenues will be managed by Government officials. What I am trying to point out is that no expenditure can be made from that reserve fund without the vote of this House.

Sir Purshotamdas Thakurdas : I thought I said to the Honourable Member, when he objected first, that I wanted to make myself quite clear. Will the Honourable Member say what he thinks about what I said subsequently ? I will tackle this point that the Honourable Member has raised. Supposing there is a deficit of a crore and a half of rupees in the budget of the country, and supposing the Executive Government put before this House suggestions for additional taxation which this House do not wish to accept. This House wish to make up for the deficit by cuts here and cuts there. The Railway Department as one of the biggest departments of the Government of India must come in for their share, and supposing they want to make a cut of 50 lakhs of rupees there, they may make the cut, but the amount will not go to the Finance Member. That is the point I had in my mind. I know that the separation of the budgets is mainly intended for this purpose, namely, that we shall take from the Railways only an agreed amount and leave the rest to the Railways, to be used in various directions, as indicated by the Honourable the Commerce Member. The fact however remains that the Assembly do say to-day, as representing the tax-payer, that in order that this commercial machine may be well conducted, steadily conducted from year to year, we will forego this advantage which we got till now. I do not think that can be denied. I therefore feel that, when we are coming to an arrangement like this, it is only fair and reasonable that the House should say to the Executive Government that we wish that, whilst we agree to this administrative reform, so important as it is, you agree in your turn that you will allow us full opportunity of giving the Railways a full trial in State management and will not hand over the Railways without our consent to what is called Company management, even if you could discover a "real" Company-management system. That, Sir, is the main ground on which there was substantial difference in this Committee. I feel that whilst I am a very strong advocate of this administrative reform, whilst I should be extremely sorry if the Government of India insisted upon their inability, as they put it, to give this undertaking which I think is the just due of this Assembly as representing the tax-payer of India, if this reform had to be postponed, nobody would be more sorry than

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myself ; in fact I am one of those who signed the Acworth Committee's Report, and who also has said, what the Honourable the Commerce Member has read from the majority report of that Committee, that we make this recommendation for State management with the caveat that the finances hereafter would be provided in a more correct manner. But the Acworth Committee only took cognisance of what it was appointed to examine. The main question is, there is this power, and as I have shown by the various incidents I have referred to, beginning with the Honourable the Commerce Member's motion when he moved that amendment in the Assembly two years back, there appears to be something lurking in the background, and it is quite possible when there is something in the nature of what the Executive Government think is real Company management, one of the railways of India may be handed over for such real Company management. If the Government of India have nothing to hide, nothing to conceal from this Assembly, nothing to be afraid of, may I ask why they should distrust this Assembly to such an extent that they will not come to this Assembly and say, "Here we have this substantial scheme, we would like you to consider it?" Do they really think this Assembly is incapable of appreciating the advantages of real Company management and agreeing to it, that they should refuse to agree to this very simple convention, a convention which by the way I feel should not be difficult for them to agree to if they really mean not to go past what has now been suggested.

Sir, there is one further subject that I would like to remind the House of. My Honourable friends from Madras will remember the year 1910, when the South Indian Railway, in spite of the great grievances of the Madras public against the management of that Railway, was handed over, or to be more accurate, the contract regarding which was renewed with that same Company, not only over the heads of the Government of Madras, but over the heads of the Government of India. I remember it very clearly being mentioned to the Acworth Committee by many witnesses in Madras that it was only when a Reuter's telegram came out here, that the Government of Madras wired to the Government of India, only to learn that the Government of India had also learnt of that contract having been renewed by the Secretary of State after all the formalities were put through. I am sure, Sir, we do not want any repetition of this to happen again.

I will come, Sir, now to a question which may be put to me, namely, if the Secretary of State and the Government of India enjoy the powers of entering into these contracts without consulting the Assembly, what are you going to gain by insisting upon it at this stage? I wish, Sir, that the House will bear with me when I try to reply to this question which I am anticipating, because I am sure some Honourable Member or other is bound to put it to me, not by a reply, but by asking another question. Let us consider what we are likely to lose in case Government absolutely refuse to agree to this administrative reform on the ground that they do not see their way to give the undertaking we require. The Honourable the Commerce Member has sufficiently emphasised here the grave manner in which the Acworth Committee pressed that the financial India have been trying to make up for their past lapses. Rs. 150

crores have been sanctioned by this Assembly for capital funds, the immediate rehabilitation and betterment of existing lines. That 150 crores, I understand, is to be spent within five years beginning with 1922, if I mistake not. I do not think I am incorrect in saying that the Railway Department are not able to spend at the rate of 30 crores a year and there is no question of their needing more than that 150 crores until the year 1926-1927. So much for the immediate rehabilitation and betterment of existing lines. The next question that remains is repairs and renewals from the revenues. Now, Sir, there also I expect that with the experience which the public of India and this Assembly has had till now of what happened, owing to the lapse during the war period by the then Government of India and the then Finance Member, it is hardly likely that there is going to be a repetition of the same neglect over again. I still maintain and I repeat that I would like this administrative reform to come into force immediately but I feel that whilst this administrative reform is agreed to by this Assembly and while this Assembly agrees to forego what I have just indicated in the course of a few questions and answers with my friend opposite, it is only due to this Assembly that the Executive Government should give the assurance which is indicated in condition 2 of clause 6 of the report. I wish, Sir, just to point out that the Honourable the Commerce Member himself admitted that the separation of budgets is to apply only to State-managed railways and not to Company-managed railways. As far as the Company-managed railways are concerned, their budgets and their relations to the Government of India are to continue as they have continued heretofore. I remember a few figures which were asked for and which were given as approximate figures. Of the total gross revenue of 96 crores of rupees from the Railways of India, about 24 crores was given as the gross revenue from State lines at present managed by the State. When the East Indian Railway and the Great Indian Peninsula Railway are transferred to State management by next June, this figure of 24 crores is likely to go up to anything between 60 and 70 crores, out of a gross revenue of 96 crores for all India. I really wonder, when we have so many other Company-managed lines at present which we cannot touch, and the last line will not fall due till 1950, whether this Assembly can be said to be greedy if it wants additional power, in the shape of a substantial say regarding who shall or shall not manage the Railways of India hereafter.

Mr. President : I must ask the Honourable Member now to bring his remarks to a close.

Sir Purshotamdas Thakurdas : Conditions Nos. 1 and 3 of paragraph 6 of the report deal with the question that Indians should be fairly represented on the Railway Board and that the Indian railway services should be rapidly Indianised. I shall very briefly indicate the reasons why the dissenting members thought it necessary to refer to these two ambitions of the Indian public. It is true, Sir, that the Railways of India are very valuable and very important commercial enterprises but the public of India wish to look upon the Railways of India also as national assets and they agree to the commercial management of these Railways only as far as is compatible with their national aspirations and with their national advancement. It is no good saying that these Railways must be managed in a cheeseparing spirit of economy, so that whatever may happen to the ambition of Indians either in the matter of Indianisation or in due encouragement by purchase of stores from India in order that

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the industries of India may be built up, this Assembly could agree to commercialisation or to the commercial management of Indian Railways. That is a fundamental difference between some influential sections in the country and the Indian public and I think it is right that that difference should be substantially brought to the surface and should be emphasised at this particular juncture in order that there may be no misunderstanding hereafter whenever the Assembly ask for more Indianisation or more powers of purchase of local stores by the Railways of India. The Honourable the Commerce Member referred to this demand, and if I did not omit to hear some part of his remarks, I am afraid his reply in connection with this struck me as being rather disappointing and halting. It is certainly a fact that consistent demands have been made by the Indian public for years now in these directions. They feel that they have a right to and ought to have a greater hand in the management of the Indian Railways. It may be quite true that it will take a little time to train them up but this question must be agreed to without the least hesitation or shadow of a doubt that whatever the case, whether you separate the budgets or not, the Assembly will be justified year in and year out in pressing that there should be more and swifter Indianisation of the railway services in India and that the Indian Railways must encourage, of course within due and reasonable bounds, and must make it their goal, the purchase of stores in India in order that India may build up her industries. I feel, Sir, that a good deal of stress is always laid down on occasions like this on "efficiency." I know that this is being brought up every time whenever there is a question of any commercial department or indeed any department of the Government of India having to take up more Indians. I would only here repeat what Lord Lytton said "we do not employ natives more largely because they are not well qualified and they are not well qualified because we do not employ them enough." This is the vicious circle in which India has moved with immense patience for the last 50 years, and as far as the Railways are concerned for the last 75 years. India's patience is at an end and whether we have the separation of budgets or not, let it be understood without any doubt hereafter that Indians expect the Railways of India, which are the property of the tax-payer in India, to be worked commercially side by side, and, as far as that may be compatible, with their being the most important and national asset of India. I move my amendment.

Mr. President : I propose to adjourn the House till Half-Past Two, but before I do so, I will call upon the Home Member to make an announcement.

ALLOTMENT OF THE 24TH SEPTEMBER FOR NON-OFFICIAL RESOLUTIONS.

The Honourable Sir Alexander Muddiman (Home Member) : With your permission, I should like to announce to the House that in reference to a request made earlier in the session the 24th will be allotted for non-official Resolutions.

Diwan Bahadur T. Rangachariar (Madras City : Non-Muhammaddan Urban) : In allotting that day will the Honourable Member allot it also for discussing the Mercantile Marine Committee's Report ?

Mr. President : No, it is a day allotted for non-official Resolutions and therefore you will proceed naturally by the ballot governing the business of the day.

Diwan Bahadur T. Rangachariar : I think non-official Members will agree to it.

The Honourable Sir Alexander Muddiman : My object was to meet the wishes of the House as regards non-official Resolutions.

Pandit Shamlal Nehru (Meerut Division : Non-Muhammadan Rural) : If any Bills remain over on the 23rd can they be taken up on the 24th ?

The Honourable Sir Alexander Muddiman : No, Sir.

Pandit Shamlal Nehru : May I suggest that it be allowed.

Mr. A. Rangaswami Iyengar (Tanjore *cum* Trichnopoly : Non-Muhammadan Rural) : May I inquire from the Leader of the House whether in reference to my request to give some time for the discussion of my Resolution on the floods, he will be able to allot some time.

The Honourable Sir Alexander Muddiman : I had already said that a day had been allotted for non-official Resolutions.

Mr. President : In view of the fact that time is short, only seven days to the day allotted, the ballot list will open at once, and the balloting will take place in one of the Committee rooms at 10-30 on Friday morning the 19th.

The Assembly then adjourned for Lunch till Half-Past Two of the Clock.

The Assembly re-assembled after Lunch at Half-Past Two of the Clock, Mr. Deputy President in the Chair.

RESOLUTION *RE* SEPARATION OF RAILWAY FINANCE FROM GENERAL FINANCE—*contd.*

The Honourable Sir Basil Blackett : Sir, the amendment which has been moved by the Honourable Sir Purshotamdas Thakurdas takes the form of an additional clause, but it is an additional clause which is also a conditional clause. The clause takes the form of saying that while the recommendations in the Government's Resolution regarding the separation of railway finance from general finance should be carried out, they should be carried out only if the Government accept certain additional recommendations ; that is to say, if the Government are unable to agree to carry out those additional recommendations, the proposal for the separation of railway finance from general finance falls to the ground—a proposal which in the view of the Government and in the view of the Honourable Member who moved this amendment is a very desirable administrative reform. But the greater part of the speech of Sir Purshotamdas Thakurdas was extraneous to the subject of separation of railway finance. He touched on that subject once at any rate when he said that he was a very strong advocate of this administrative reform, and yet he moves an amendment which has no direct connection with separation ; and the inability of the Government to accept which may result in the complete loss of this desirable administrative reform. I am very sorry that the issue has become thus clouded. This is an administrative reform to which I attach very great importance.

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I believe that it will effect a direct economy in the management of the Railways and that it will greatly assist in the stabilization of the general Budget. Sir Purshotamdas Thakurdas stated quite rightly that the reform is one which has been under consideration for nearly three years since the date of the Acworth Committee's Report. At the same time I would remind the House that the previous Assembly considered this matter and decided to adjourn it for a year and a half. It has already therefore been once postponed because of its difficulties by the Assembly. I may claim, Sir, that I have had a certain share in bringing this Resolution forward to the stage which it has reached at the present moment. It is one of the reforms in the financial system of India which attracted my attention from the very first; it is one to which I have given a great deal of time and a great deal of trouble. Mr. Hindley as the business manager of the Railways has from the very first co-operated most enthusiastically with the proposal, and if it had not been for his support, it would not have reached the position that it has reached to-day. But at the same time it is essentially not a railway proposal any more than it is a financial proposal. At the risk of repeating what has already been said, I would like very briefly to go over the arguments for separation and set the position before the House in the form in which I see it. I begin from the principle that the taxation of communications is bad taxation. It is taxation which falls both on the producer and on the consumer. It raises prices for the consumer and reduces prices for the producer and it decreases the volume both of internal and of external trade. In the initial stages of railway development in a country such as India there are many arguments for paying more attention to the development of communications than to making the Railways pay, and that was the line that was taken by the Government of India in the earlier days of the Railways in India. But by general consent that stage has passed away, and we are all I think at one in the view that the Railways must pay their way. The Railways have the benefit of Government credit, and in so far as they are not Company-managed they do not pay income-tax. There is therefore sound reason for asking Railways to pay something over and above their expenses and their interest. But I think such a contribution should be a small one. And it should as far as possible be regular so that the Budget figures from year to year may not be disturbed by serious fluctuations due to temporary causes and the temporary causes may not prevent the railway authorities from pursuing a definite and deliberate policy. If the receipts in a particular year are less owing to special causes than had been expected, the general Budget should not have to fill up the gap, possibly by extra taxation, possibly by curtailing desirable expenditure in some other direction. If the receipts are larger, the general Budget should not be tempted to reduce other taxation, for example to give up some part of the Provincial contributions owing to some temporary excess receipts. Such reduction of taxation, such reduction of Provincial contributions, should be made out of a definite and recurring surplus of available income, not out of a temporary windfall. On the other hand, Railways cannot, even if it were desirable, increase rates and fares suddenly because the income of a particular year is less than they had reason to believe owing to temporary causes. Nor can they reduce them suddenly just because there is an exceptional and non-recurring increase. Nor is it desirable that Railways should have their expenditure curtailed owing to temporary causes due to the general position of the Budget unless there are very exceptional circumstances. What is wanted

is some approximation in India to what has been recently introduced in England, a standard railway revenue. The Railways should pay a regular but limited contribution to the State over and above their working expenses and interest. If they earn more, the surplus ought not to disappear in the general budget, but it ought to be credited to what I call in the first instance the Dividend Equalisation Fund, so that if in the next year receipts fall short, Railways might still be able to pay their contribution, and if receipts in the next year are again in excess of the contribution, that is a sign not that the Railways should pay an additional sum to the tax-payer, but that the time has come for reducing rates and fares. The Dividend Equalisation Fund then becomes a fund which enables the Railways to make good the temporary loss of revenue which invariably follows on a reduction of fares and rates. There is always a period during which the traffic is not increased to the extent required as the result of the reduction of rates to make up the loss in revenue. A reserve is also needed to meet the cost of any extra facilities or to enable the Railways to carry through a regular programme of renewals and extension. It is the absence of any such arrangement that has led to money being taken by general revenues during the war from Railway receipts and credited finally to general revenues. A good part of the money so taken did not represent any real surplus of earnings, but represented a depreciation of assets. It was impossible to obtain the materials required for renewals and repairs and maintenance and the lines, rolling stock, etc., were depreciating and could not be kept up to the mark, not because the money was not there, but because the materials for repair could not be obtained. Yet, the result of course was that there was a surplus of receipts over the actual expenditure and that went to general revenues. The state was really living on the depreciation of its assets. Such a condition of affairs is not only objectionable in that you do not know what you are really earning, but it disheartens the Railway authorities and is the last means to secure that they will work their undertaking economically. They will obviously spend their money on anything they can get at, rather than surrender it to the Finance Member. Let me sum up. The purposes of Railway separation are a stabilised budget, a stabilised railway revenue, the securing to the Railways of a real incentive to economise and to work on commercial lines, and the provision of the right conditions for maintenance of continuity in Railway policy and enabling rates and fares to be reduced the moment the opportunity arises and facilities to be increased without cost to the tax-payer.

Now, in considering these proposals, the House has rightly concentrated on two questions, the question of the amount of the contribution and the question of the control of the Assembly. The amount of the contribution is a question on which more than one view can reasonably be held. It would be possible to ask for a larger contribution than I am being made to ask for now. I confess my own preference for the rather smaller contribution that the Government originally proposed. But I am now quite ready to support the Resolution as moved to-day. But the view I would put quite shortly is that the question of the contribution is simply this. If you ask for more, the probability of an early reduction of rates and fares is postponed; if you ask for less that probability is increased and the moment at which it is likely to arrive is hastened. That is really the only question that is left open in that matter. The question of the Assembly's control is much more difficult. It was an essential part of the Govern-

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ment's proposals that the opportunities for discussion both by the Railway Finance Committee and by the Assembly should be increased and the methods for exercising the control should be improved. I have no doubt whatever that the technical control under the Government of India Act will be greatly improved by the Government proposals. But the Assembly expressed doubts as to the indirect results and I now come to Sir Purshotamdas' amendment. He made the point that one of the results of agreeing to separation would be that in the event of a deficit, the Assembly by convention were giving up their effective power to meet the deficit by a demand on the Railways. That, Sir, is perfectly true. The Assembly are being asked—and the Government are proposing themselves, the Finance Department is proposing—that the Assembly and the Government should lay down the proposition that taxation of communications is bad taxation, that in the event of additional taxation being required, which God forbid, that that should be imposed by some more desirable method than that of taxing the Railways. We are asking the Assembly to agree to a convention that it will not in normal circumstances—obviously one cannot legislate for abnormal circumstances—that it will not in normal circumstances try to meet a deficit by taxing communications, by interfering with its Railway property. The question of Indianisation, the question of State management and the question of Stores—no not the question of Stores—are directly raised by this amendment. The first point that I would like to make about this amendment is that it has strictly nothing whatever to do with the question of separation—strictly—that is to say that as things stand, Government have theoretically the right to say that they will have no Indians in the Railways. They have theoretically the right to say that they will buy stores always in the cheapest market without any reference to the question of purchase in India. They have the right to decide without reference to the Assembly that they will create a Railway Company to take over a State-managed line; they have that right now. If the Assembly refuses separation, the Government will still have that right. If the Assembly agrees to separation, the Government will still have that right. None of these questions are directly raised by the question of separation. They are all germane to Railways; that is all they have in common. Now, let me take these three questions. As regards Indianisation, the Government have already announced that they propose to accept the recommendations of the Lee Commission which propose to Indianise to the extent of 75 per cent. the Railway Engineering service. I do not think the Assembly have any reason to complain against the Government in the matter of the pace of Indianisation of the Railway staff. The Government are moving at the pace that they think is conducive to the best result for Indianisation itself. There is no conflict of opinion between the House and the Assembly as to the desirability of Indianisation.

Sir P. S. Sivaswamy Aiyer (Madras : Nominated Non-Official) : Will Government agree not to transfer State-managed railways to Companies without the consent of the Assembly ?

The Honourable Sir Basil Blackett : The Honourable Member is again trying to mix up two subjects. I am always asking the House—I really do appeal to them—to try and deal with one subject at a time on its merits. It is just one of our difficulties that when we raise one subject, we always get off to another. I will now pass to the question of Stores

management. The Government and the House are, I believe, at one in that matter. We have agreed with the House and it is merely a question of getting the change made. There is no conflict of opinion between the House on that matter. So far as part (b) of this amendment goes—that the Railway services should be rapidly Indianised and further that Indians should be appointed as Members of the Railway Board as early as possible—there is no kind of difference of opinion between the Government and the House.

I now come to the question of State management. The Government are asked to give an undertaking that no Railway line now managed by the State and no line now managed by a Company whose contract may hereafter expire, should be handed over to Company management without the previous approval of the Legislative Assembly. Now, I may tell the House quite frankly, this is entirely an unreal issue. The Government are not willing—and I do not think any Government ought to be willing—to give an undertaking in the form that is asked for. I may also tell the House quite frankly that it is not in the power of the Government of India to do it, that is to say, so far as the undertaking is concerned. But what are the facts? The Government have already stated that they have no proposal under their consideration at the present moment for the establishment of a Company to manage a State line. But Government have agreed with the House that, if at any time a Company is to be formed to manage State Railways, one railway or more railways, grouped or otherwise, that Company must be a real Indian Company with Indian capital. The Government are further willing, if ever a proposal for establishing an Indian Company with rupee capital is put forward to take over an existing line, to bring that matter before the Railway Advisory Council. They are perfectly willing that, if the Railway Advisory Council or any member of it so desire, an opportunity shall be given for that matter to be brought before the House. That is—and I say this quite frankly—as far as it is in the power of the Government of India to go. We therefore have reached this position. There is no real issue between us and the House on this matter that has anything to do with railway separation or the management of the Railways. I cannot conceive of any circumstances in which an Indian Railway Company with Indian capital would be willing to take over a State-managed line contrary to the wishes of the Assembly. The controversy is not a real one. If the House desires to make it a condition of separation that the Government should give an undertaking of this sort, then I have to say it frankly that we cannot do it. But, if the House really wants separation, then I do ask the House to consider whether they are really gaining anything by failing to get separation because they cannot get from us an undertaking which we cannot give. What is to be gained by postponement? The plan is one which the Government are convinced is of great value to the Indian tax-payer and to the Indian users of railways. It is one which I gather, generally speaking, the Assembly is convinced is a desirable reform on its merits. I think it was only two days ago that the Honourable Pandit Motilal Nehru stated that administrative reforms were equally important with constitutional reforms. That is a doctrine which I particularly commend to this House, because, I believe, that the way to advance quickly on constitutional reforms is to pay a good deal of attention to administrative advance. The Assembly agree, I gather, that in itself this is a desirable administrative reform. But they ask that some additional promise should be given by the Government—an

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additional promise which is not connected with the separation question in this sense that before and after separation the Government are in exactly the same position in regard to the matters about which they are asked to give a promise. They are asked—I do not want to put it unfairly—but they are asked to make a bargain. If the Assembly agree to a thing (they say) that the Government desire, why should the Government not agree to something that the Assembly desire? But why do the Government desire this? Because it is an administrative reform which the Government and the Assembly are agreed is a good one. Now, any Parliament can obstruct any Government. No constitutional system can work if there is obstruction. If any constructive efforts are to be made during this period of transition in the matter of administrative reform, they must be made in nearly every case by co-operation between the Assembly and the Government. If the Assembly is unwilling to assist in improving administration during the transition period, then the Government are forced into the position of just carrying on. They can only carry on. They cannot introduce any new constructive improvement worth speaking of. They have to carry on on old methods which may or may not be the best and which in many cases are not the best simply because, though they may have been suited to the period before there was an Assembly, they are not suited to the period now that the Government have to bring a considerable portion of their policy and a considerable portion of their finance before the Assembly for criticism and for approval. We quite realise the importance that the House attaches to these particular reforms that are mentioned in the amendment. I have said that the Government are entirely in sympathy with the Assembly on the questions in regard to the Indianisation. As to the question with regard to Company management, there is no real issue between us at all, except the absolute inability of the Government to comply with the wish of the House. Now, supposing we do not get this administrative reform, which is what, I am afraid, must result if this particular amendment is pressed in this particular form, who suffers? The taxpayer suffers, the user of the Railway suffers, the Assembly suffers and the Government suffer. The taxpayer suffers because he is in danger of continuing to be taxed by means of communications and because his railways are costing him rather more than is necessary. The railway user, which means practically the whole of India, suffers because an administrative reform which is desirable cannot be introduced. The Assembly suffers because these changes in the form that is proposed by the Government do offer them opportunities of very much more effective control over railway finance and over railway policy owing to the improvements in the administrative machinery which are proposed to be introduced under these reforms. And the Government suffer because it is not they who are, on the whole, the final arbiters in this matter. They cannot under the present constitutional system give the undertaking that is asked for. They are thrown back, if the Assembly press this amendment in the form in which it is proposed, on a simple *non possumus*, which is not in their power to alter. Their position as a Government is weakened because it is shown clearly that, so far as administrative reforms are concerned, the effect of the Government of India Act is to take away from them their power to do anything except to carry on under their present powers and to do that which they regard as in the interests of India as a whole. On this occasion, the Assembly agrees with them that this reform is in the interests of India as a whole.

Pandit Madan Mohan Malaviya (Allahabad and Jhansi Divisions : Non-Muhammadan Rural) : Will the Honourable Member kindly explain why it is not in the power of Government to offer the assurance which the amendments ask for ?

The Honourable Sir Basil Blackett : I think the Honourable Pandit must realise that this really raises large constitutional issues. In the present transitional constitutional stage an undertaking of this sort is an undertaking which I do not think any Secretary of State, Labour or otherwise, would agree to be given. It is one which he could not give.

Pandit Madan Mohan Malaviya : Have you asked the Secretary of State for it ?

The Honourable Sir Basil Blackett : The Secretary of State and the Government of India are unfortunately not in a position to agree to this, and so long as the present transitional constitutional position lasts, that must be the position ; so that with the very best will in the world the Government are quite unable to go further than they have gone. I do appeal strongly to the House in this matter. Very little change will be required in the form of the amendment. It is only necessary that the form should be recommendative instead of conditional. If that change is made see what happens. The Assembly and the Government get the separation of railway finance from general finance, which they desire. The Assembly have taken an opportunity, and a very good opportunity, for pressing earnestly on the attention of the Government and of the Secretary of State their desire that particular recommendations should be carried into effect. If the amendment remains conditional, what happens ? I am afraid, so far as I can see, that separation of railway finance from general finance is not carried through, and the Assembly have not gained much in the matter of pressing this recommendation on the attention of the Government. I do appeal to this House to consider carefully whether it cannot either omit this amendment altogether or, at any rate, modify its form.

3. P.M.

Mr. C. Duraiswami Aiyangar (Madras ceded districts and Chittoor : Non-Muhammadan Rural) : Sir, I ask for a ruling from the Chair. I have given notice of an amendment, which is No. 31 on the Agenda that at the end of the amendment to Diwan Bahadur M. Ramachandra Rao's amendment clause (c) be added. Now I find that the amendment of which Diwan Bahadur Ramachandra Rao has given notice is identically the same as that which Sir Purshotamdas Thakurdas moved to-day.

Sir Purshotamdas Thakurdas : Oh no !

Mr. C. Duraiswami Aiyangar : It is to the effect that no railway line now under State management, and no railway line now managed by a Company whose contract may hereafter expire should be handed over to Company management without the previous approval of the Legislative Assembly, and that in the interests of more economic management the railway services should be rapidly Indianised, and further that Indians should be appointed as members of the Railway Board as early as possible. These are the two substantial items moved by Sir Purshotamdas Thakurdas and Diwan Bahadur Ramachandra Rao, and whether it is in the form moved by Sir Purshotamdas Thakurdas or Diwan Bahadur Ramachandra Rao, my desire is that my clause (c) should be added to it. I want a ruling from the Chair as to whether I will be in order in moving this.

Mr. Deputy President : I will consider the point.

Mr. K. G. Neogy (Dacca Division: Non-Muhammadan Rural): Sir, my Honourable friend, Sir Charles Innes, has been complimented on the very clear statement with which he opened his case this morning. I will now compliment him on another quality of his, and that is the promptness with which he adjusts himself to the atmosphere of the particular Chamber he is addressing for the time being.

While in this House my Honourable friend has tried to convince us that by accepting his proposals the Assembly will relax no authority which it possesses at present over the railway administration; in fact everything that the Assembly can do under the present constitution to regulate the policy of the Railways will remain intact. Just less than a week ago, while he was addressing the other House—the Council of Elder Statesmen—he observed as follows :

“ The dangers he saw in State management were the dangers that would inevitably arise as India became more and more democratised, and as the popular Assembly exercised more and more influence and control over the management of railways. - It was no use saying that in India the popular Assembly would not attempt to exercise that control, for it was common experience that in all democratic countries the popular Assembly has interfered with the railway management, and it was also common experience that in all these democratic countries pure State management has been a failure. In view of this experience the modern tendency in democratic countries was to guard against those dangers by separating off the railway finance from the general finance and as far as possible getting their railways away from the interference of the popular Assembly.”

I trust that we can flatter ourselves as being the popular Assembly in India, and here is set out the object of the separation of finances by the Honourable Sir Charles Innes when he explained his case before the other House.

Then he goes on to discuss the various alternative schemes which Government considered with reference to the future of State management; and later on he proceeds to observe as follows :

“ In view of the dangers already referred to (by him) they were not anxious to bolt the door against Company management in India (so that even now they are thinking of it), but they would not be able to carry out their arrangements because they would not take over the East Indian Railway till the 1st January and the Great Indian Peninsula Railway till the 1st July next.

Regarding the separation of railway finance from general finance the Government had put forward two schemes, and if their proposals were accepted, many of the objections raised heretofore to State management would be removed altogether.”

But I did not hear a single word this morning from my Honourable friend which would indicate that this was one of the objects he had in mind. On the other hand, he tried to convince us that the Assembly would lose not a tittle of power over the Railways.

Now, Sir, it is no wonder that, in view of such statements made by responsible Members of Government, there should be some misapprehension in the minds of people. I am aware of the feeling in the minds of some of our friends that once the Assembly commits itself to this position, it may lead in course of time to the Railways being altogether removed from the vote of this House and treated as a non-voted item just as the Army is. There is another apprehension also that as we are about to create a State within a State, the railways may hereafter claim somewhat of the status of what are now known as the Indian States—I will not say Native States—, and as in our own experience we have seen the President of the

Railway Board blossom forth into Chief Commissioner of Railways, there may be a time when we will have His Haughty Highness Mr. Hindley, Rajadhiraj of the Independent States of Indian Railways, who will refuse to answer our supplementary questions.

I would at once say that I do not share these apprehensions, and I will not deny that the present scheme has many attractions about it. I will also admit that the system of separation prevails in almost every other country where there is State management ; for instance in Prussia, Switzerland, Italy, South Africa, Japan and Canada. And I believe the latest State to adopt it has been Austria. But, Sir, in those countries the Legislatures have a real power of control over the Railways, just as over every other administrative department. Have we any such power yet ? Why is it then that my Honourable friend is anxious to force upon us this piece of reform, which, I am perfectly willing to admit, might fit in with the next instalment of constitutional reforms, when we are likely to have some sort of responsibility in the Central Government. Why not wait till that date ?

Now, Sir, my Honourable friend admitted that, so far as the capital portion of the rehabilitation programme was concerned, the Assembly stands committed to a programme of 150 crores, to be spent in five years, so that he has no ground of complaint as regard the capital expenditure for the Railways. That I believe is admitted by him. His complaint, so far as I could understand it, was that there was no similar security with regard to the revenue programme. Well, I do not know whether my Honourable friend has considered the possibility of getting this House committed to a scheme of revenue programme for five, or as many years as he likes, in a similar way as he got this House to commit itself to a capital programme for five years. I do not suppose there is any difficulty about that—

The Honourable Sir Basil Blackett: This is the scheme.

Mr. K. C. Neogy: I do not suppose that that constitutes the entire scheme.

The Honourable Sir Basil Blackett: Very nearly.

Mr. K. C. Neogy: Now Sir, I was rather surprised to hear him say that when in any particular year there are any unexpended balances in the Railway Department, they swell the surplus and are merged in the general revenues and that no part of it comes back to the Railways. Technically he may be correct in this statement, but Sir I dare say he has read paragraph 34 of the Mackay Committee's Report, where they pointed out that there is a good deal of misconception with regard to this so-called lapse system. I will not trouble the House with the details of their observations, but I will just read out one sentence where they say :

“ The greater the lapses for a particular year, the more is the Government able to allot for the next.”

I do not suppose, in the face of this observation, there is any real force in the argument advanced by my Honourable friend on this particular head. Then Sir, I was very much surprised to hear him say that if we are to adopt this particular scheme, the general revenues would gain to the extent of Rs. 40 lakhs a year, which is the railway share of the extra tax on the steel imports, due to the Steel Protection Act. I really wonder how this extra amount comes to be contributed to the general

[Mr. K. C. Neogy.]

exchequer. Would it at all matter if we had no separation at all? (*The Honourable Sir Basil Blackett* : "I should pay.") I should like to argue that point with the Honourable Member. Does it drop from the sky? It is simply taking out money from one pocket and putting it into another; that is how I understand the scheme.

The Honourable Sir Basil Blackett : Perhaps I may be allowed to explain to the Honourable Member as he does not seem to be able to understand it. Before separation, the position is that the whole of the railway receipts come to general revenues. If they are reduced by 40 lakhs as the result of the Steel Bill and so on, the amount the general tax-payer gets out of the Railways is reduced by 40 lakhs. After separation the amount of the contribution is fixed, and if the House chooses to double the steel protection, the amount of the contribution is not reduced; the general tax-payer gets the same amount out of the Railways and the amount is taken out of the railway reserves.

Mr. K. C. Neogy : I am not concerned as to what particular amount the railways pay, but if we have no separation, that 40 lakhs will continue to be credited to the Customs side of revenue; what is the difference?

The Honourable Sir Basil Blackett : I get it twice over, once in and once out.

Mr. K. C. Neogy : I do not understand that. Where does the additional amount come from? Now, Sir, I do not want to oppose this scheme as a whole. As I began by saying, this scheme has undoubted attractions about it, and I do not therefore propose to proceed with these observations any further.

I will now turn to one aspect of the present amendment, and that is with regard to the Indianisation. Sir William Acworth, I find, has written a letter to the press very lately expressing his strong approval of the scheme of separation, and his regret at the report that this Assembly was about to reject it. Poor Sir William Acworth! Perhaps he does not know how things have been getting on in this country since he left India. I find that in his Report, presented to the Commissioner General for Austria of the League of Nations, on the question of the reconstruction of Austrian State railways, he refers to his work on the Railway Committee in India and he observes as follows, page 14 :

"In India the railways almost all belong to the State, but the bulk of the lines have always been worked by private companies. A Committee over which I had the honour to preside reported two years ago that the existing company management should not be allowed to continue, and the Indian Parliament has now resolved that as each of the existing lines' leases terminate, the companies' lines shall then be taken over for direct management by the State."

He is evidently labouring under a misapprehension, and evidently he thinks that the proposition which I had the honour to move in the winter of 1923 was accepted by the Government—

The Honourable Sir Basil Blackett : As I told the Honourable Member, it is not a real issue.

Mr. K. C. Neogy : Even this proposition was opposed by the Government, and all that they would agree to was to take over the management of the East Indian and the Great Indian Peninsula Railway. They would not agree to this proposition which was laid down by Sir William

Acworth and the majority of the Committee after mature consideration. And what about his other recommendations? He recommended that the Railways should be placed under the charge of a Minister of Communications. Have we any Minister of Communications in this House? I find that the different departments that would have gone to constitute that portfolio have been distributed between my Honourable friend Mr. Chatterjee and my Honourable friend Sir Charles Innes. Was it because, if his proposal, which I may say was also supported by the Inchcape Committee, was put into effect, then either the Railways or Commerce would have to be given over to an Indian Member of the Executive Council?

The Honourable Sir Basil Blckett : What has that got to do with separation?

Mr. K. O. Neogy : I am coming to Indianisation, and this is how I begin. I want to show that the attitude of Government with regard to railway policy has been anti-Indian in every sphere, beginning from the top, and down to the subordinate ranks of the railway service. Then, Sir, even this morning we had a crop of questions, which I believe my Honourable friend Mr. Hindley found it rather uncomfortable to answer. (*Mr. C. D. M. Hindley :* "Not at all.") At least he could not answer some of them. I need not labour this point any further because seldom does a day pass in this Assembly when we have no questions regarding the racial discrimination in regard to the conditions of service on the Railways. Sir, I find that a recent contributor to a literary magazine has taken the trouble to calculate the percentage of increase of Indians employed in the higher grades, in the different departments of the Railways in the years 1907 and 1923. There he points out that in the engineering branch the percentage of Indians employed in 1907 was 7 per cent. while in 1923 it rose to 23 per cent.—that is in 14 years. In the agency it rose from 0 per cent. to 0 per cent.; in the traffic from 7 per cent. to 24 per cent., in the Loco. from 0 per cent. to 3 per cent.; in the Carriage and Wagon department, from 0 per cent. to 0 per cent.; in the Stores from 11 to 12½ per cent.—a total of from 5½ per cent. to 19 per cent. And he points out that the Agents' Office and the Carriage and Wagon Department still remain closed to Indians, that in the Loco and Stores Departments, there is an infinitesimally small increase, and 16 per cent. in the engineering and traffic lines in a period of 16 years. He points out that the Islington Commission recommended in 1915 that the Loco branch should be entirely Indianised, that there was no Indian officer then in this department and that 8 years' progress towards the Islington ideal is represented by 2 Indians out of a total cadre of 72. Reference has been made to the recommendations of the Lee Commission. I am free to admit that those recommendations go to a certain extent towards the ideal of Indianisation. But, Sir, the Lee Commission report is not concerned with the subordinate departments at all, and it is a notorious fact that the subordinate departments of the Railways are overweighted by a particular community (*A Voice :* "Are they not Indians?"), and in the elaborate report that we have got with regard to the training of railway officers and subordinates in India by a gentleman belonging to the Locomotive Department of the State Railways we find that he has succeeded in making out a case against Indians generally. (*A Voice :* "No.") He evidently thinks that Indians will not do, so far as the subordinate establishments are concerned. He says:

"It is at the present time difficult to find Indians with the personal qualities that make efficient chargemen and foremen."

[Mr. K. C. Neogy.]

I wonder what those personal qualities are.

Then he proceeds :

“ At the present day, therefore, the bulk of the upper subordinate appointments are held by domiciled Europeans and Anglo-Indians.”

Lieut.-Colonel H. A. J. Gidney (Nominated: Anglo-Indians): As Statutory Natives of India Anglo-Indians are now Indians.

Mr. K. C. Neogy : Yes, when the question of Indianisation comes, but not when the question of pay is concerned. Anglo-Indians claim to be treated as Europeans when the question of pay comes up, but when it is a question of Indianisation and getting more loaves and fishes of office my Honourable friend will claim to be an Indian. When it is a question of—I do not know whether I should mention it, but as my Honourable friend has interrupted me, I think I must refer to the Tundla case. When the question of administering flogging to convicted criminals of his community comes up—

Mr. Deputy President : I would advise the Honourable Member not to be interrupted and I would ask him to go on with his remarks. His time is already up.

Mr. K. C. Neogy : I am very sorry that my Honourable friend interrupted me in the way he did. He ought to have been aware of the weakness of his position. Getting back to the subject, Mr. Cole proceeds :

“ At the present day, therefore, the bulk of the upper subordinate appointments are held by domiciled Europeans or Anglo-Indians, and having regard to the material at present available in the lower grades of the service, no responsible railway officer could recommend a very early change in this position.”

That is how Indianisation stands, that is what we are asked to pin our faith to by the Honourable the Commerce Member.

(At this stage the Deputy President vacated the Chair which was taken by Mr. President.) Sir, I believe the basic principle of this scheme is that the Railways ought to be treated as a business proposition. Is the railway a business proposition when you find that you pay more salary to members of a particular community for doing exactly the same thing for which you pay much less to Indians? Is that a business proposition? Now, Sir, the Honourable Sir Basil Blackett made the astounding statement that no Government anywhere in the world can give the undertaking that this amendment seeks. Is there any Government in the world which can afford to defy the popular will as the Indian Government can? I believe my Honourable friend has heard of contracts being placed before the House of Commons for their ratification. It is very difficult to have patience when arguments like these are advanced by responsible officers of Government. I for my part fail to see what is there that can prevent Government from accepting this amendment. That merely goes to substantiate the suspicions that are undoubtedly lurking in the minds of many of us here. Now, Sir, my Honourable friend claimed that this scheme would do away with the violent fluctuations to which the general budget is subjected by reason of the inclusion of the railway profits which vary considerably. Like my Honourable friend, I also do not understand preambles and I do not like the strong adjectival flavour of this particular preamble “ violent fluctuations ” and other things.

The Honourable Sir Basil Blackett : They happen to be true.

Mr. K. C. Neogy : I think it would have been far more correct to say that this scheme was necessary for the purpose of relieving the general budget from the manipulations of which the Finance Member is capable—that would have been the more correct description, because I dare say that what my Honourable friend has in mind is the war period when the so-called railway profits rose to a very high level. Was that due to any normal circumstances? Was it not due to the fact that certain items of expenditure were postponed, and by reason of that fact we had a bloated figure shown as the railway profits. That is not an inherent defect of the system. I think that it was necessary, in the interests of Government, to have a bloated budget during the war period. That gave the impression of an unusual financial prosperity in this country, and my Honourable friend's predecessors quietly annexed much more from the railway earnings than they were entitled to. In fact, the evils from which we are suffering at present—the high rates, the additional railway loans, and other things, are directly attributable to that action of theirs. I therefore say that it was more on account of the manipulation resorted to by the then Finance Members and the Government that the general budget was subjected to such violent fluctuations, particularly in the war years. With these words I beg to support the amendment.

Mr. H. G. Cocke (Bombay : European) : Sir, in a railway debate one of the objects of the speakers should, I think, be to keep on the rails, but my Honourable friend on my left succeeded in getting off fairly often. This is a business proposition. We are seeking to separate the budget of the Railways from the general budget because in the past we have been running our railway accounts on a system which is bad. I do not propose to go over the ground which has already been gone over very carefully by the two Members of the Government opposite but I think it is obvious to anybody who has gone over these papers, that to carry on with the present system of railway accounts is absolutely impossible. If we do it, we are going to hamper the future development of the Railways, and if this proposition is not passed, we are going to set back the clock of Railways for very many years to come. Really the question comes down to this. Sir Purshotamdas Thakurdas has put down an amendment which accepts the whole of the proposition of the Commerce Member but seeks to add two qualifications. Therefore any discussion on the merits of the actual separation proposals, provided Sir Purshotamdas Thakurdas spoke, as he said he did, for his party, does not seem to be very necessary. The proposals are accepted by this House, I take it, as a whole, but it is sought to add the two qualifications. Under (a) we are told that the proposition cannot be accepted unless Government agree to the proposition that no railway line now under State management and no railway line now managed by a company whose contract may hereafter expire should be handed over to Company management without the previous approval of the Legislative Assembly. Well, it has been pointed out by Sir Basil Blackett that this is a proposition which is practically beyond the power of Government to accept and therefore it seems to me that if that can be modified as suggested, so that the last few words read "without previous reference to and discussion by the Assembly," that will enable the Assembly to express its views on the particular proposal when it arises and we shall not now be putting before the Government a proposition which they cannot agree to. But the main point, I think, perhaps lies in (b) in connection with Indianisation.

[Mr. H. G. Cooke.]

Well, the Railways, as we know, constitute a technical service and it may be the rate of Indianisation in Railways has not been so rapid in the past as has been the case with some other departments of the administration, but I think it may reasonably be expected that Indianisation in the next five years will be much more rapid than it has been during the past five years. As regards the figures given by Mr. Neogy, he has pointed out that there has been practically no progress in Indianisation in certain departments of Railways. That of course is due to the fact that they are the more technical and the more advanced departments, but speaking generally, as shown by his figures, there has undoubtedly been progress. There will be very much more progress in the future. As regards the point raised by Sir Purshotamdas Thakurdas this morning, he pointed out that if the Finance Member of this country were faced with a deficit of $1\frac{1}{2}$ crores and it was desired by this House not to go in for any further taxation but to meet the deficit of $1\frac{1}{2}$ crores by cutting down expenditure, then, if the Finance Member were asked to cut 50 lakhs off the Railways, it would not help his deficit because his contribution from Railways is fixed and the cut of 50 lakhs would accordingly go to swell the reserve. That, I believe, is not disputed. But this separation is merely a convention. This is an agreement. It is not absolutely binding and if we are going to have another war or some abnormal circumstance, it is obvious that this arrangement—this convention—could be departed from in exceptional circumstances. It seems to me that that contingency of a large deficit is not likely to arise, but if it does arise, it will probably not be sufficiently serious to make it necessary to go to the Finance Member and ask him to reorganise his scheme. It is very essential that the Railways should have the benefit of the profits for future developments, profits which they have not had the benefit of in the past.

Mr. C. Duraiswami Aiyangar : I do not profess to have in the best part of my life dabbled with commercial finance as Sir Purshotamdas Thakurdas. My life has been spent only in calculating fees and out-fees by the simple rule of arithmetic. However, Sir, I am obliged to say a few general words as a layman, as an ordinary passenger. When I view the observations of the Honourable Sir Charles Innes and Sir Basil Blackett in dealing with this question, looking upon the railway administration as a purely commercial concern, I am startled to find what the fate of the ordinary passengers will be in this country if that view of the commercialisation of the administration is taken up seriously. Sir, I consider that it is too early in this country to think of railway communications purely from a commercial point of view, purely from a *sowcar's*, purely from a usurer's point of view calculating how much dividend or interest it will produce and proceed entirely upon that line. I think, Sir, it does not do much credit to the railway administration in this country that in a vast country like this there should be only 37,617 miles of railway line whereas in a country consisting of one-fifth of the area of this country, the United Kingdom, there are already 24,850 miles of railway line. Sir, the Honourable Sir Basil Blackett has stated that Sir Purshotamdas Thakurdas was not moving an amendment which is relevant, which is germane to the subject of the separation of railway finance but to me it seems perfectly pertinent and relevant that when this Assembly is called upon to decide the separation of railway from general finance, it should impose on such a separation certain conditions

which will safeguard the powers of control of this Assembly. In one breath the Government Members assure us that the power of this Assembly will not in any way be taken away and in another breath they say even if such innocuous amendments are put in they will be prepared to withdraw the Resolution altogether. Sir, I will meet the threat which the Government Members offer. I think the Assembly is bound to stick to its policy of keeping up its control and if it is innocuous, we must plainly ask them why you should not accept the same. The Honourable Sir Basil Blackett has also stated that if the Assembly wants more contribution from the railway management, from the railway communications, then the reduction of fares will be postponed. If they ask for less, it will be accelerated. I fail to understand whether that is the only alternative for giving relief to the poor passengers of this country. There is yet another method by which you can certainly reduce the fares and that leads us to the question of retrenchment and that in its turn leads us to the Indianisation of services and to the Indianisation of purchases. The Honourable Sir Basil Blackett in his speech has told us that theoretically it is open to the Railway Board to refuse to take any Indian, theoretically it is open to the Railway Board not to purchase any stores in this country but to purchase wherever they please. At the same time, along with this threat, he also gives us some coaxing words, saying that as a matter of practical policy they have already resolved to Indianise the services and they have already resolved to make their purchases in this country. Sir, we are duly assured that attempts will be made to see that the expenditure on Railways is as far as possible made in this country; but when Sir Charles Innes appeared before the Imperial Economic Conference he gave an encouragement to his own countrymen there as you will find on page 54 of the report. He says:

“Large sums have been set aside for the rehabilitation of our railways and I hope that we may be able to embark on some new construction. On railway material alone we spent last year, almost entirely in this country, more than 8½ million sterling. Several development schemes are in contemplation and in one way or another the Government estimate that something like 70 million sterling will be spent on imported stock during the next five years for the railways and for development schemes. As in the past so in the future I have no doubt that the skill and enterprise of British manufactures will see to it that the vast bulk of their monies will be spent in this country.”

Sir, with this hope, this assurance which he gives to his own countrymen there, here we are assured that all possible steps will be taken for Indianisation of purchases. This morning my Honourable friend Mr. Neogy put some questions on this identical matter, question No. 2135, in which he asked amongst other things:

“(f) Will Government be pleased to lay on the table any order, circular or correspondence on the subject of purchase of stores in India and from the Stores Department by (a) State-worked, and (b) State-owned Railways?”

“(g) When do Government expect action to be taken on the matter of stores policy and with regard to the passing of all indents through the Indian Stores Department, so far as the purchases for railways are concerned?”

To these two questions the Honourable Mr. Chatterjee has given this answer. As it was too long to be read he did not read it, but as I will only read two portions of it I hope the Assembly will permit me to do so:

“(f) In their letter No. 1644-S., dated the 28th May 1924, the Railway Board addressed the State-worked railways, impressing on them the importance of carrying out the policy laid down in the new Stores Purchase Rules, a copy of which is available in the Library. The Railway Board also sent copies of the new rules to the

[Mr. C. Duraiswami Aiyangar.]

Agents of Company-worked railways. The Board have no doubt that the policy of the Government of India will be given full effect to on those railways. In their letter No. 2574-S., dated the 18th August 1924, the Railway Board drew the attention of the State-worked railways and also the East Indian and Great Indian Peninsula Railways to the desirability of making greater use of the Indian Stores Department in respect of the inspection and purchase of certain classes of stores."

With reference to part (g) he closes his answer by saying :

"The action taken by the Railway Board, which will be clear from the letters addressed to Agents of State Railways and to the Agents of the East Indian and Great Indian Peninsula Railways, dated the 18th of August 1924, to which I have just referred, will, the Government of India feel sure, lead to a considerable expansion of the practice of utilising the services of the Indian Stores Department for the purchase of railway stores."

These, Sir, are sweet theories. Both in answers to questions and in speeches they give us sweet assurances that this policy of purchasing Indian stores from Indian manufacturers will be followed and expanded. But, Sir, when we come to practice we do not find the same translated into action. We find that in the year 1922-23 out of all purchases made 69 lakhs of imported materials were taken, whereas the indigenous materials purchased were only 9.17 lakhs. Sir, it is with a view to seeing that as far as possible the Indian manufacturers are encouraged, in order that our further productive capacity is encouraged, further factories for railway materials are started and developed and further workshops opened—it is with this view we repeat times without number that the Indian Stores Department must be in control of these purchases ; and that Department must take and expand the policy of making purchases here. If you are not going to do that, if you are not going to develop further industries for the supply of railway materials, if you are not going to develop such industries in this country, how are you going to reduce the rates of fares and give relief to the poor passengers of this country. They are already very heavy and when we complain you say that in other countries it is much heavier, and therefore in this country we must thank our stars that the fare is only three pies a mile in the case of ordinary passengers. But, Sir, it has been worked out by an authority on the subject. He says :

"Taking the average earning in India of eight annas for unskilled labourers, for an expenditure of one day's earning he can travel 26 miles. Whereas in the United States of America where the average wage is Rs. 6 a day, he can travel 61 miles spending the whole earning of one day."

You are also aware that the passengers in this country do not travel for the purpose of earning, and on the other hand most of them travel for the purpose of spending. If you look at the statistics of Indian passengers it will be seen that a very large percentage of them are persons who carry out pilgrimages from one end of the country to another. If you are going to raise these fares and not give an assurance that they will be reduced by an economic and retrenchment policy, that practically means that you are taxing our religion, and by imposing a pilgrim tax you are doubling and trebling the taxes on poor pilgrims. This is not a country in which people travel from a materialistic point of view ; a large percentage of the passengers travel for the purposes of their religion. Therefore I would ask the Government not to consider their railway policy, at any rate at this stage of the railway administration, from a purely commercial point of view, but consider it with a view to public convenience more especially of the poor people of this country.

So, Sir, with these few words I request a ruling from the Chair upon the point which I put to the Honourable the Deputy President when he was in the Chair. The question which I put was that I gave notice of an amendment, No. 31 on the printed list, as an amendment to the amendment of which Diwan Bahadur Ramachandra Rao gave notice. I find that Sir Purshotamdas Thakurdas included the very same items, the very same terms, which Diwan Bahadur Ramachandra Rao has given notice of. But he makes it a condition whereas Diwan Bahadur Ramachandra Rao calls it a further recommendation. But so long as the Resolution is amended by adding a further recommendation or condition, I think, Sir, that it goes as part of that amendment. If I am in order I will move the amendment standing in my name. If I am not in order I will stop.

Mr. President : Am I to understand that the Deputy President gave no ruling ?

Mr. C. Duraiswami Aiyangar : He said he would take time and in the meanwhile he wanted Mr. Neogy to proceed. Before he gave his ruling he vacated the Chair.

Mr. President : The Honourable Member's amendment, No. 31 in the new list, can be moved.

Mr. C. Duraiswami Aiyangar : Then I move, Sir :

“ That at the end of the amendment moved by Sir Purshotamdas Thakurdas, the following clause be added :

‘ (c) and further that the purchase of stores for the State railways should be undertaken through the organization of the Stores Purchase Department of the Government of India ’.”

Dr. L. K. Hyder (Agra Division : Muhammadan Rural) : Mr. President, I shall not take up the time of this House by dwelling on this subject for a long time. I wish I could speak at greater length but my voice fails me. There are a few matters to which I shall refer in this short speech. First of all, I must compliment the Honourable Member for Commerce for his masterly survey of the railway problems and his masterly exposition of the subject which is embodied in the Resolution he has placed before us. Before I take up the amendment moved by Sir Purshotamdas Thakurdas I wish to refer to one matter and I wish to draw the earnest attention of this House to that matter. Well, it has been said that there are dangers of political corruption in a democratic House. This House, Sir, is not fully democratic, but it is well that this House should be told that in any commercial undertaking managed by the State there are undoubtedly dangers of the corruption of the public life of a country. I hope and I wish that this House will soon become a democratic House but none the less, Sir, it would remain true that what has happened in other countries might happen here also. I refer now particularly to the Railways as they are managed in other countries. You might ask me to give instances ; I shall give you instances. No one can say, comparing legislative bodies, that the British House of Commons is behind other Houses as regards purity of public life. Well, Sir, particularly in this matter of railways, a Committee was appointed in 1907 at the persistent demand of English farmers. They said that the rates charged to American produce from Liverpool to London were much lower than the rates charged to the produce which was brought to the railways from intermediate stations between London and Liverpool. Well, Sir, the Government took up this question and the Committee

[Dr. L. K. Hyder.]

established the fact that the arrangements by which the Railways were compelled to charge lower rates for longer than for shorter distances, were forced on them for the reason that otherwise the produce would have taken the all-sea route. Well, Sir, this is one instance. Another instance I shall give you, and that is a colossal instance of the dangers that might arise in a democratic House if it is pressed by sectional interests. I refer to the dangers in America; they are known to everybody. I shall refer to a third instance, that is, the Prussian railways. They were ably managed, they brought in a handsome amount of money, but during the last six years, not on account of the depreciation of the mark but chiefly because Prussia had a vast army of railway employes and they had increases of pay and other concessions, the railways became a burden. Well, I wish to draw this conclusion that what is true in other countries holds true here also so that if Sir Charles Innes makes a statement in another House that State-management undoubtedly has dangers of its own, I say that he was putting forward an argument which is known to every economist and that no fault could be found with him on that account. But this is an extraneous matter. I have referred to it because it was referred to in a speech by one of the Members of this House.

Now, Sir, coming to the Resolution itself, I would say this that the Government appointed a Committee and the Committee was equally divided as regards this question of State management *versus* Company management. The Committee—leave that question alone—did recommend one thing, that it was absolutely essential in the interests of this country that these fluctuations upwards and downwards should be put a stop to and that the railway administration must be run on commercial lines, that is to say, they must know what they are going to spend, they must know what they have in hand so that they may carry out their projects. For that purpose they recommended the separation of railway finance from the general finance of the country. Well, Sir, that recommendation is embodied in this Resolution, and it was a surprise to me to find one of the Members saying that the Government have not carried out the other recommendations of that Committee. Well, Sir, here is one recommendation which is placed before this House, and I address this question to the Members of this House: "Are they dealing with the proposal on its merits? Are they in a reasonable frame of mind, in which they wish to carry out an administrative reform which is so eminently desirable? I do not know. In view of the vast amount of property that is at stake, with a view to its better and economical management, I do hope that this House will come to the conclusion that this highly desirable administrative reform should be carried out.

Now, Sir, coming to the amendment moved by the Honourable Sir Purshotamdas Thakurdas, the Honourable Finance Member has said with regard to clause (a) that the discussion is unrealistic. I wish to add that I should not think it probable that a Government Department which has got the management of the Railways would willingly, light-heartedly hand over a concern which is its chief basis of activity. If they hand over the railways to a Company, then what have they got to manage? They cut the ground from under their feet so that they have not got much to stand upon. That is one general consideration which applies to this safeguard which is brought in here and attached to the Resolution moved by Sir Henry Moncrieff Smith. The other thing is this, and

that is also a general consideration. I doubt it very much if the Government of India with their traditions, that is to say of a paternal Government, of managing everything themselves, would be prepared light-heartedly to part with the management of a concern which they at present manage themselves. On account of their intimate association, on account of their direct activities in the past, on account of the fact that the Government of India do not lightly part with what they have, I should think the remark, made by the Honourable Finance Member is true that we are simply fighting over nothing, over things which do not exist.

Now, Sir, with regard to No. 2, Part B, I sympathise whole-heartedly with this question of Indianisation and I do hope that a time will come when the Railway Department of the Government of India would recognise that there is enough talent in this country and they would also give an opportunity to young Indians, who have worked up their way in the Railway administration of the country, to find a place on the Railway Board. I do whole-heartedly sympathise with the latter part of the recommendation contained in the amendment moved by Sir Pursbotamdas. But I say this that this separation of the railway finance is a desirable thing. If you wish to Indianise, fight on the general issue. There you can win it and the thing would apply by itself to the Railway Department. It would not be a solitary department which would remain a high and holy mystery when compared with other departments ; it would be Indianised. But the interests of this country demand at the present time that the Railways be put in possession of the money that they require, that they be allowed to manage the concerns on commercial lines and that this House should require annually an account from them of how they manage the property which is entrusted to them. I do not think that this Resolution either adds to, or detracts from, the powers which this House already enjoys and any postponement of this highly desirable administrative reform would be a thing which would be costing an enormous amount of money to the people of this country. Let me tell you how the ordinary man in the street feels about it. You overhear conversations very easily. Two days ago I was moving to my hotel and I heard two poor men coming behind me saying to each other " Well, we cannot go to Delhi, because the railway fares are high." I would appeal to this House. It might be a small matter to Members of this House, but I say to the millions of people, to the 320 millions of people, it is a vital matter whether your rates are high or low ; and you could determine this easily by embarking upon this experiment which is provisional for three years and you could haul up the Railway administration and tell them " We gave you a free hand and your railway rates have not shown a tendency to move this way or that way."

Mr. Jannadas M. Mehta (Bombay Northern Division : Non-Muhamadan Rural) : I think Sir, Government will admit that the House has taken a keen interest in the question of railway administration, and if the House has been unable to agree with the proposition of Government, the reason is that in this country to-day everything is looked through the question of more power for the people over the executive. That fact dominates every other consideration, and I agree with the complaints made by the Honourable Sir Charles Innes, by the Honourable the Finance Member, by my Honourable friend Mr. Cocke and other Members

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that while Indianisation, store purchase and other things are important in themselves they have nothing to do with the question of separation as such. That is perfectly true. The debate has gone on as if we were discussing Indianisation and stores purchase. But, as I said before, in this country to-day, every question whether it is administrative reform or any other question, is looked through the question of more power to the people over the executive and Government must not complain if, until they expedite their own consideration of these questions, they continue to be confronted by these somewhat irrelevant discussions on the questions before the House.

Now, Sir, I hope the present system of Railway management has got no friend in this House. The mixing up of railway finance and general finance is the worst possible combination that one could imagine, and the pronouncement of the Acworth Committee on that unhappy combination is so telling that it is unnecessary, any further to argue about it. It does really hamper the development of Railways and consequently of trade and industry. It does paralyse enterprise. It does entail loss on the finances of the country and it has also induced an element of instability in our finances. I am sure every Member of this House is perfectly convinced of the viciousness of the present system and desires the separation of railway finance from the general finances of the country. I was struck by the instances given by the Acworth Committee of the evil results of the present system. It is stated in the note prepared by my Honourable friends Mr. Parsons and Mr. Hindley that at times, because they could not spend a particular amount out of revenue for want of a budget grant, all capital expenditure that had been undertaken actually came to nothing. Lakhs and crores of capital expenditure would be of no good, if a few hundreds or a few thousands of revenue expenditure could not be undertaken in the absence of a budget grant; enormous capital stock was lying idle, we had to pay interest on it, it was getting depreciated and we were earning nothing on it. All for what? Because of this mixing up of Capital and Revenue expenditure under the present system. Moreover, Sir, the Railways have a tendency under the present system—an unmistakable tendency—of becoming irresponsible. If they get huge surpluses, they are taken away by the Finance Member. If they make a loss, it is to be made good by us; and any person or institution in this position is bound to be demoralised and cannot work up. For these reasons, Sir, if it could possibly be done, Government should consider whether they cannot come to some understanding with this House on the other questions that have been raised, so that separation which is absolutely essential to-day for the proper working of our railway administration may be accomplished. But separation is the beginning, not the end. Separation is for the purpose of commercialisation, not for itself. I do not find, I am sorry to say, in the Government proposals anything except the question of separating Capital and Revenue Expenditure,—anything else which shows that they themselves are quite prepared to commercialise the Railways. Can anybody imagine that you will pay in addition to the interest any additional contribution on the capital in a commercial concern? Is it commercialisation? Why are you paying this 5-6ths per cent. and now 1 per cent. on the capital at charge. That does not show that you want commercialisation of Railways. Does any com-

mercial institution ever pay anything except the interest on the debentures and loans? The Acworth Committee definitely told us that it was undesirable to pay anything excepting the interest on the loans, and yet we find that Honourable Members think that they have scored something over Government by getting the contribution increased to 1 per cent. from 5-6ths per cent. They cannot be unaware that it will come from the tax-payer. The traveller will pay it, the commercial community will pay it, the trading community will pay it. Government do not bring it from England. They do not pay it out of their own pocket. This increase of contribution shows that Government themselves while talking of the commercialisation of Railways, are quite willing to bribe this Assembly for the purpose of securing more separation. It is anything but commercialisation. Let us proceed further. Even the other proposals do not show that except separation they have any idea of the commercialisation of Railways. What does commercialisation predicate? What does it involve? It involves that you will follow strictly commercial methods in the working of your institutions. In a commercial institution, Sir, the services of people are engaged on quite different terms. They are not in the nature of public servants as our Railway officers are. The railway service is organised as a public service, and under the present proposal of the Government it will continue as a public service and not as a commercial service. A commercial service indicates that you will insist on results being shown by your servants and if they cannot, you either dismiss them or remove them or degrade them. Under the present system, the members of the Railway services are secured of a graded increase in their salaries from the very beginning of their careers right up to the end. Their pensions are secured and are proposed to be increased under the Lee Commission's Report. It will thus be seen, Sir, the present railway service is anything but a commercial service. We never have such a thing in a commercial institution of servants being assured of a certain salary which is regularly increased year after year and which is likely to be increased if some Commission recommends it. No commercial institution can ever flourish if it continues to pay to its servants whether it makes a profit or incurs a loss. It is the commercialisation of the service which the Government ought to propose and not the mere separation, of Capital and Revenue expenditure. Unless you have got any definite proposals for further stages of commercialisation of Railway management, the mere separation of Capital and Revenue expenditure will not do.

Thirdly, Sir, what control has the Assembly got on the question of rates and fares? Unless the Assembly can see that the rates and fares will be regulated according to the capacity of the country and according to the requirements of trade and commerce, the Government will be ready to pay any contributions to the Assembly that we insist and will then necessarily continue the present high rates and fares. Is it known to the Government that on account of heavy rates many commercial institutions are suffering to-day? Therefore, unless you agree to have some tribunal to decide and to regulate the rates and fares, a tribunal which will be under the control of the Assembly, it will be useless to have mere separation because you can go on in the same extravagant manner as you have been hitherto. There is no incentive to you, apart from your own honest intentions, to economise, to retrench or to see that you improve the results of your concern. In the absence of these things no contribution, commercialisation of service and constitution of a rates

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and fares tribunal—which are real commercialisation, it is useless for Government to say that their proposition is any attempt at securing better results than we are having at the present time. The result of this uncommercial and unbusinesslike proposal which the Government have made will be as Mr. Parsons has suggested in one of his notes, with regard to another question that the State management will be discredited and it will be an argument for reverting to the Company management. Unless Government really try to commercialise their railway management on the lines I have indicated, the argument for Company management will receive a strength of which the Assembly cannot possibly have any idea to-day. Therefore, Sir, I do hope Government will do something more than a mere separation which is merely a mechanical separation and which does not mean commercialisation. I have heard over and over again in the discussion to-day that high rates and fares are a tax on transport, on communications, and yet I find nothing in the machinery which Government have proposed that will achieve better results and lead to a reduction of rates and fares. As the separation which Government have suggested does not mean commercialisation, the argument for Company management will be strengthened. Therefore, the undertaking which Sir Purshotamdas Thakurdas asks that you shall not transfer any railway to Company management is wholly necessary, because the inevitable result of your present proposal will be that State management will be discredited.

Sir, I have nothing more to say except that it is still possible to arrive at some understanding in order to relieve the Railways from living from hand to mouth. At the present moment, they have no depreciation fund and no reserve fund. One writer has said that powerful as the Government of India is, the law of physics and statics and mechanics is still more powerful. Unless they can get some reserves for depreciation and other purposes, the railway management will continue to be in the present unsatisfactory position.

Seth Govind Das (Central Provinces : Landholders) : I move, Sir, that the question be now put.

Mr. C. D. M. Hindley (Chief Commissioner, Railways) : Sir, I had not intended to intervene in this debate after the turn which it took this morning. Sir, I am not politician. I understand very little about politics. I do my best to be a plain railway manager. The various convolutions, evolutions and the difficulties which seem to beset this question since it came before the House have rather bewildered me and I have no doubt that a great many Members of the House are themselves bewildered by what has happened. I am extremely disappointed, Sir, that this case, which we have taken a great deal of trouble to put clearly before the House, has not been considered on its merits for one minute during this debate. I have not heard any arguments or any criticisms directed towards the proposal that we have put up or any alternatives put forward to achieve the same object. It is, therefore, extremely difficult for me to put my case as I should have liked to put it if the debate had not taken a definite political turn. I presume I am right in my reading of Sir Purshotamdas Thakurdas's amendment. Sir Purshotamdas Thakurdas who is a business man of very great reputation in India, has urged over and over again the separation of Railway finances. He was a member of the Acworth Committee which strongly recommended early separation.

Sir Purshotamdas Thakurdas : So I do to-day, only with certain precautions and other safeguards.

Mr. C. D. M. Hindley : So he does to-day ! So we have heard him supporting in this House the motion and at the same time laying before Government conditions which have no connection whatever with the proposals of Government. These are the conditions which he says must be attached to a convention. I do not wish to pursue this subject because I shall get on to political ground where I do not want to get. I am quite sure that Sir Purshotamdas Thakurdas himself realises that the conditions which he has laid down cannot be accepted by Government, and therefore he has adopted this method of throwing out separation. That is my reading of it, Sir. I have already said that I am not a politician ; I am a railway manager. But I see that the constructive work we have put in over this business during the last 18 months is about to fall to the ground on purely political considerations. That, Sir, I think, is an interesting fact and I have no doubt that our friends the Press will duly communicate that fact fully to the rest of the world. I am quite sure Sir Purshotamdas Thakurdas will like it to be repeated in London and will also like his own friend, Sir William Acworth, to know what has been the result.

Sir Purshotamdas Thakurdas : According to Mr. Hindley's opinion !

Mr. C. D. M. Hindley : I have not expressed any opinion. I am simply giving the facts. Now, Sir, if it is not too late, I should like to say just a few words in my capacity as a railway manager. I have put myself, as the Honourable Sir Basil Blackett kindly said, heart and soul into this scheme from the very beginning. I have a good deal of experience of the present system. I had the honour of being in very close contact with Sir William Acworth in the early part of his visit to this country, and was able to give him a great deal of first-hand information about the actual detrimental effect of the existing system of finance on the Railways of India. Anyone who takes the trouble to read the evidence as given before the Acworth Committee will see that the recommendations of that Committee were founded on a very solid body of evidence condemning the present system of finance. The whole position is, from the practical point of view, that with a lapsing budget system as we have now, there is no possibility of carrying on a continuous business like that of railway management with any kind of efficiency or success. The continuity of operations which I have in mind, which is so desirable on Railways, is not, as perhaps might be at first thought, the mere continuity of keeping trains running—that is a minor matter. The most important matter, and one on which efficient and punctual train service depends is the meeting of the necessities of the whole organisation, both with regard to growth and in the matter of repairs to decayed and worn out materials. The Acworth Committee came at a time when the defects caused by the present system were most extraordinarily apparent. I do not wish to take up the time of the House by quoting what the Acworth Committee found in regard to the state of the Railways ; but I would like to say that it is no exaggeration at all to put down the widespread defects and inadequacies, which the Acworth Committee found, as directly arising out of the present system of finance. Further, I would assert that the potential insolvency which the Incheape Committee also demonstrated to us also arose out of the present system of finance. During the war, of course, the matter became intensified by the difficulty of obtaining materials, but I do not think it can be seriously contested, and I think both Lord Incheape and the Acworth Committee themselves both agreed that the present system was at fault.

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The railway system is an organism of continuous growth. It can never stand still. It has always to go on increasing and improving its services to meet demands for increases in traffic. Further, it has also constantly, day by day, to meet the necessity for renewals. The Honourable Sir Charles Innes has already referred to some of the difficulties in effecting the necessary improvements on railways and also in carrying the essential renewals. I can give numbers of instances where the present system works so as to produce results which I think might almost be considered to have originated in a lunatic asylum. Mr. Jamnadas Mehta has been the most powerful advocate to-day for the abolition of the present system. I was very glad to hear his speech, and he certainly has a very clear vision of what the present system was doing for us and what the new system might do. I do not wish to take up the time of the House by giving instances, but they have been brought home to us drastically in recent years, and I am personally satisfied of the possibility of these things happening again in the future. I am perfectly satisfied that you have no security whatever that your railways will not get again into the position that the Acworth Committee found them, and into the position that the Incheape Committee found them. There is no hope, no certainty that we shall be allowed regular and sufficient grants for meeting renewals and for effecting improvements. All the constructive work, the constructive imaginative work that your railway officers have been putting in during the last year and a half, since we had the benefit of the Incheape Committee's inquiry, all the constructive effort towards improvements, towards seeking for additional traffic, for additional profits, for additional train services, all those constructive efforts are bound to go by the board if this House cannot come to some arrangement with Government whereby a continuous system of grants for revenue expenditure can be arrived at. I do not ask for sympathy for myself. I have done my best to try and get this scheme through because I believe in it, but I do ask the House to think for a little while what the effect of the rejection of these proposals would be. All over the country engineers and railway managers have been for the last year and a half steadily putting together large schemes of development and improvement, so that train services might be improved, so that accommodation might be increased, station buildings made more comfortable, and in particular so that our friends the third class passengers might be more comfortably carried. What is the mainspring of these efforts towards improvement? It is the hope that in some way or other when we have devised schemes which in themselves take three or four or five years to carry out, this House, holding the purse strings, may be able to give us some assurance that we can find the money at the time when it is required so that we can carry out those schemes. Can the House imagine what happens for instance when we have to take up the case of rebuilding a large bridge which takes perhaps three years to build? They give us a grant for the first year's work. The first year's work consists of laying down sidings, erecting workshops and collecting machinery and plant. During the second year the first consignment of girders will arrive for erection. During the third year the second load of girders is due. This House has in its hands the power to stop the grant for the second year's work, after we have planned the workshops, the sidings, collected equipment and materials; this House has the power to say, "Stop that bridge; it shall not go on." This House may do that by making a cut in my grant for some purpose entirely extraneous to Railways. That has its practical effect in preventing work being carried on. It has prevented work of this

kind going forward in the past and will in the future. Such action has also a much more important psychological effect on your railway managers and engineers. If they are not assured of getting adequate grants to carry out schemes which they have been preparing with the greatest difficulty and the full use of their expert knowledge and experience, what inducement is there for them to go ahead and devise further improvement schemes ?

That, Sir, is the most serious matter, one to which I do not think sufficient attention has been paid by this House because they do not altogether realise the conditions under which these works are devised. It very often takes a year or eighteen months to devise a scheme and think it out in order that it may be carried out efficiently. I do therefore feel very great regret, if it is the decision of this House to throw this proposal out, on behalf of these railway managers and engineers all over India who have been working heart and soul for the improvement of the Railways in the early future ; I do feel a great amount of sympathy for them, and I do feel there will be a very great amount of disappointment. I also feel that there will be inevitably a slowing down of effort, because they will feel that this House does not in the least sympathise with them, does not understand their work, and takes no trouble to help them to improve the Railways.

Sir, there is one word which I should like to add. One of the reasons why I have been very desirous of getting this proposal through, was that it was going to give us an opportunity of getting into much closer touch with the Members of the Assembly who are interested in railway management. I know popular opinion, which is expressed fairly freely is—I cannot remember the expression used by Mr. Neogy, but it was something rather offensive about my aloof attitude. Well, Sir, I may have perhaps a somewhat curt manner in answering questions, but I am most desirous of coming into closer touch with those Members of this Assembly who are interested in railway matters and who can assist us in framing our policy. For that reason I have welcomed the alterations which have been proposed in regard to the Standing Finance Committee for Railways and the Central Advisory Council. I further welcomed the possibility of having a longer period to discuss the Railway Budget in this House. If it had been possible to change the date of the railway year and put the Railway Budget before this House separately in September, I feel quite satisfied that we should have been able to get much closer, we should have been able to understand one another better. The House would have understood what we are driving at in our policy ; the House and its representatives on the Committee would have understood our difficulties and perhaps been a little more inclined to make allowances for our difficulties. I very much regret that this prospect seems to be further and further away. We shall come up again I suppose next March with a harum scarum debate lasting part of one day on a subject of vital importance to India, a harum scarum debate, no one knowing what amendments have been put or what heads of accounts they refer to ; every one bringing up his pet stunts and firing them off here in accordance with his annual custom, with no attempt at getting down to the real business, that is to say, the management of the greatest property, the greatest railway property which belongs to a nation in the whole of this world. I very much regret to have to face that prospect again next March. I should much have preferred to have five or six days, if necessary, for leisurely and careful discussion of the votes as they come up one by one.

Now, Sir, I do not feel for a moment that my contribution to this debate is likely to affect the main question, but I do hope that what I have said

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from the point of view of the practical man will perhaps give some misgivings to other practical minded Members of this House who have pledged themselves to vote against a practical measure for a purely political purpose.

Diwan Bahadur M. Ramachandra Rao (Godavari *cum* Kistna : Non-Muhammadian Rural) : Sir, my Honourable friend Mr. Hindley made a very feeling and impassioned speech in support of the scheme which he and the officers associated with him have placed before this House. There is no doubt, Sir, that the scheme which has been devised and considered in the Committee of this House has been the result of considerable trouble on the part of the officers and the Member in charge, and I may assure him that, so far as the merits of that scheme are concerned, there is absolutely no one in this House who is not for separation. I may also tell him, Sir, that the further fact which he has mentioned to-day that the managers of railways have been accumulating large schemes in anticipation of this separation, and the securing of a continuity of railway policy, is also a consideration which some of us had in mind. Therefore, at the outset, let me remove from his mind and the mind of those who think with him, that we are actuated by political considerations in regard to this matter. Sir Charles Innes, in the Discussion on the Lee Commission's Report, more or less gave expression to the same sentiment, and said that he was a practical man of business and affairs and that political discussions do not appeal to him. The same sentiments, Sir, have been expressed to-day by Mr. Hindley, who even went to the extent of suggesting that my Honourable friend's amendment was a way of shutting down this separation. I think, Sir, my Honourable friend is doing a great deal of injustice to the Honourable Mover of this amendment. He has taken a considerable part in the deliberations of the Acworth Committee and the anxious days we had in the Committee of this House in regard to this matter. Therefore I think at the outset several Honourable Members who are on the Treasury Benches are always thinking that, whatever we say on this side of the House, must be actuated by political considerations, and I wish they would try to understand our point of view. For example, in this case, what is the exact position of the Secretary of State in regard to this measure? We did not hear a single word either from Sir Charles Innes or Sir Basil Blackett or my friend Mr. Hindley as regards the intentions of the Secretary of State in regard to the three points which have been raised in this amendment. Sir, the Honourable Sir Purshotamdas mentioned the case of the South Indian Railway. The renewal of that lease was made by the Secretary of State over the heads of the Local Government and without any knowledge of the Government of India, and what is there to prevent, even after the separation, the Secretary of State giving the East Indian Railway or the Great Indian Peninsula Railway to some company formed in England, or even in India, without any discussion or without any consideration of the terms of that lease in this House? That is the vital point which has been raised by this amendment. Sir, under the terms of the present constitution the Secretary of State is the final authority, who has the power of making contracts with these railway companies. That power, it is conceivable, might be transferred to the Government of India under section 19A. It might be delegated to the Government of India, and so far as I am concerned, we should like to see the Secretary of State divested of this power of making contracts with companies either in England or even in India. If that power is

conceded to the Government of India, we are face to face with an authority with which this Assembly can deal and negotiate. So long as that power remains in the hands of the Secretary of State, it is quite pertinent to ask what is the exact position of this Assembly with regard to these railway matters? The power of voting grants and dealing with the Railway Budget is vested in this Assembly, and if, over the heads of this Assembly and over the heads of the Government of India, the Secretary of State negotiates with some powerful corporation in England, or even in India and concludes an agreement without an opportunity to this House to examine the terms of the lease. I should like to know what exactly is the position of this Assembly. These matters have been mentioned so many times in the Select Committee of this House, that there is no misunderstanding of our position. In these circumstances this charge of turning every debate into a political debate is absolutely without any foundation, unless my Honourable friends who are sitting opposite can give us an adequate answer to the difficulty which we feel. Are they prepared to ask the Secretary of State to transfer the power of making contracts to the Government of India? Will they put forward the views of this Assembly regarding the delegation of that power to the Government of India, and will they now convey to the Secretary of State the desire of this House that this power should be delegated to the Government of India? A good deal has been said that these companies hereafter would be domiciled in India. It is all the more reason why the authority in India should deal with those future companies if there are any terms negotiated with those companies. This is the fundamental point which we wish to raise in connection with this separation of the railway finance from the general finance. The Budget has to be voted by this Assembly, but the power of making contracts will continue with the Secretary of State. The only answer that was attempted to be given to this question was that the Government of India have absolutely no power to commit the Secretary of State. May I ask the Honourable Sir Basil Blackett, and the Honourable Sir Charles Innes, whether this view of the case has been presented to the Secretary of State, and whether this constitutional difficulty of the final power being vested in the Secretary of State and the power of voting grants being in this Assembly has been appreciated and whether any attempt has been made to secure a solution? Unless we have a clear and unequivocal statement on this matter, my Honourable friends may rest assured that there would be no satisfaction on this side of the House.

Sir, so much for the initial difficulty. On the question of Indianisation it has been pointed out over and over again that even here the final authority is the Secretary of State. Take the railway service. It is certainly open to him to engage anybody he likes for the Carriage and Wagon Department, for the Locomotive Department, for the Stores Department. In the matter of the purchase of stores, whatever may be the policy of the Government of India, he may still continue to take steps which are not agreeable to this House.

(At this stage Mr. President vacated the Chair which was taken by Mr. Deputy President.)

As regards the general question of Indianisation, perhaps Honourable Members have forgotten the very important memorandum marked as annexure A which was circulated with the explanatory memorandum of the Railway Budget for 1924-25. From the figures there given, it will be seen that the total number of superior appointments were 1,428 in 1923 and of this the number of Indians was 288, making about 16 per

[Diwan Bahadur M. Ramachandra Rao.]

cent. or one-sixth of these appointments. Is it unreasonable on the part of this Assembly to say that there should be a rapid Indianisation of the Services? The Honourable Sir Basil Blackett has stated—I am not quite clear as to what he said—he said that 75 per cent. of the appointments in regard to these railway services would be recruited in India. I do not know whether he refers to all the Services which are mentioned in this annexure A, the Agency, Engineering, Traffic, Locomotive, Carriage and Wagon, Stores and other Departments, or whether it only refers to the Service of Engineers which was dealt with by the Lee Commission.

The Honourable Sir Charles Innes : All Services. Page 23 of the Lee Commission's Report—State Railway Engineers and the Superior Revenue Establishments of State Railways. That covers all Services.

Diwan Bahadur M. Ramachandra Rao : Therefore, looking at the fact that not even one-sixth of the appointments are now held by Indians, a better rate of Indianisation is absolutely necessary. In regard to the Railway Board, we are perfectly aware of the present constitution of this Board. It has an administrative side, it has an engineering side, and it has a financial side. I should like to ask my Honourable friend whether it is impossible to find a single Indian who could fill with credit an appointment on the Railway Board in one of these three branches. The amendment which has been framed does not commit the Government to appoint him to-morrow, but it says as early as possible, and I should like to ask him whether that suggestion is unreasonable. I have no desire to continue this discussion any longer than is necessary. It seems to me that there is a fundamental point on which my Honourable friends opposite and ourselves are in disagreement, but I myself think that an agreement is not impossible. They must realise that they must back our proposals to the Secretary of State, and unless they are prepared to do that, I am afraid we shall be working at cross purposes. We definitely put forward the view that the control of the Secretary of State in regard to these matters, seeing that the Budget is votable and is within the purview of this Legislature, should be transferred to the Government of India with whom we can deal. The Secretary of State is a person whom we cannot reach, and so long as these powers are transferred there would be no objection to the acceptance of these proposals. What is asked is the establishment of a convention that, when we and the Government of India are in agreement in regard to the leasing of any of these Railways, the Secretary of State should not intervene, and that the decision arrived at between the Government of India and the Assembly should be binding, and, so long as the final power is with the Secretary of State, this is the only logical constitutional position that can be taken by this Assembly.

Mr. W. S. J. Willson (Associated Chambers of Commerce : Nominated Non-Official) : I should like to go straight to Sir Charles Innes' amendment. Personally, I think that the contribution to be paid by the Railways is there fixed on too high a basis. I think that transport should not be taxed heavily; that 5½ per cent. is too much. I think that this 1 per cent. is too much. But, Sir, as a member of the Committee it was my business to go in for a certain amount of give and take in order to arrive at a settlement of this very important question. After all, Sir, the difference between 5/16ths and 1 per cent. is really only a question of 14 annas or 16 annas, so I had no great difficulty in agreeing to that in order to bring

in a unanimous report. Where my difficulty began was in certain recommendations which certain members of that Committee wished to make, and I was rather handicapped I may say by only receiving Sir Purshotamdas Thakurdas's amendments at a late hour to-day without being able to give them any previous consideration. Sir Purshotamdas Thakurdas and myself agree in a very large measure in our views about this separation question, but the difference is that he spoke to-day, as he frankly said, on behalf of the Nationalist party. When Sir Purshotamdas Thakurdas speaks only as a commercial representative, I find myself agreeing with him on a very great many points. I agree with what he said about Sir Charles Innes's presentation of this case, but I defy Sir Charles Innes or any other man, or super-man to introduce in this Assembly a comprehensive motion like this which would not provoke a certain amount of criticism from some of us. Where I agree most with Sir Purshotamdas Thakurdas is in the views as expressed by the Indian Merchants' Chamber and Bureau in their letter of the 25th August 1922 to the Secretary of the Railway Board, Simla, wherein it is stated :

“ My Committee wish to reiterate their opinion that the rejection of the unanimous recommendations of the Acworth Committee regarding the separation of the railway budget from the general budget of the Government of India has been the fundamental wrong step taken by the Government of India.”

I absolutely agree with that. Further on they say :

“ My Committee are convinced that the successful management of Indian Railways will always be jeopardized unless a separate railway budget is insisted upon by the Assembly.”

That is exactly my point of view.

Now, Sir when we come to consider the amendments, what really is the difference between the Government and the House ? I put it to you, that it is extremely small. If separation is such an important thing, such an advisable step, as Sir Purshotamdas' Chamber think and as mine think from the commercial point of view, I put it to you that the difference between the Government and the House or a section of the House is extremely small. Now, I am well aware that there is a certain section of the House who think that if a Government Member came into the House naked he would still have something up his sleeve. That cannot be the case at the present time. For my part, taking clause (a) it is to me so unthinkable that Government should ever contemplate handing our Railways over to any company public, private, foreign or Indian, without the consent of this House that I simply cannot believe it. They have agreed not to, so far as words go, without absolutely committing themselves to it for reasons which they say are constitutional. Now, I am not competent to argue a constitutional question, but I am prepared to accept from a responsible Member of Government, who has always enjoyed the absolute confidence of this House, who has been complimented upon the straight forward way in which he put this case before you, what he has said.

Now, I come to the question of Indianisation. Here again I say it is largely a question of words. Sir Purshotamdas puts it now as a “ proviso,” but I may say that there is no proviso whatever in the views expressed by his Chamber of Commerce in August 1922. This surely is again a matter of words. The Government have said they are Indianising. Mr. Hindley, every time he gets on his feet, tells us how much more Indianisation has taken place. It has gone further in the Lee Report, which says you shall go up to 75 per cent. Surely it is a matter of words, it is almost redundant to put it in this Resolution.

[Diwan Bahadur M. Ramachandra Rao.]

Then, Sir, we come to the amendment of Mr. Duraiswamy Aiyangar (c) that the purchase of stores for the different railways should be undertaken through the organisation of the Stores Department. Now, on that point, you have no assurance whatever from Government. I do not believe Government agree with you there. This amendment of Mr. Duraiswamy Aiyangar is what I want in principle myself. Nevertheless, I do not think that this is the time to press this particular amendment. In the first place, it is impracticable, because I understand the Stores Department is insufficiently developed to do the work, but I am prepared to co-operate in urging this question of store purchase in India with anybody and at all times. I made some remarks about it myself only the other day in the Finance Committee, but I say that the question of the separation of railway finance is so vital at the present time that we should not clog or delay the issue by raising questions of this kind, although that particular part of the amendment is one with which I am in complete accord. Therefore,—I wish to put it no higher than that,—the commercial opinion of Bombay, of Sir Purshotamdas' Chamber in the words which I have quoted, or of the Associated Chambers, is so strong on this question of the separation of railway from the general finance that I myself, one of the keenest supporters of the purchase of stores in India, am prepared to say that I am not prepared to jeopardise my chance of getting separation to-day by insisting on some other important, though minor matters. I put it to the House that the difference between Government and those Members who have spoken is largely a matter of words, mere words and no more. The principles are practically accepted.

Pandit Madan Mohan Malaviya : Sir, the reasons for the amendment have been very well put forward by many previous speakers. I want just to summarise our position as briefly as possible. In the first place there has been a good deal of confusion of thought in the view that has been put forward before the House regarding the conditions under which the Acworth Committee recommended the separation of railway finance and the conditions which now exist in India. The Acworth Committee on page 26 of their Report said :

“ We do not think that the Indian railways can be modernised, improved and enlarged so as to give to India the service of which it is in crying need at the moment, nor that the railways can yield to the Indian public the financial return which they are entitled to expect from so valuable a property, until the whole financial methods are radically reformed. And the essence of this reform is contained in two things (1) the complete separation of the Railway Budget from the general Budget of the country and its reconstruction in a form which frees a great commercial business from the trammels of a system which assumes that the concern goes out of business on each 31st of March and recommences *de novo* on the 1st of April, and (2) the emancipation of the railway management from the control of the Finance Department.”

Those were in essence the two changes that the Committee recommended. As regards the second, the Finance Member and the Government of India have not accepted the view of the Acworth Committee. They have got a Financial Commissioner in the Railway Board and the Financial Commissioner, we understand, acts strictly under the control of the Finance Member. So I take it that the Government of India have not accepted the recommendation that the railway management should be emancipated from the control of the Finance Department, and I am glad that the Government of India have come to that conclusion. It will be an evil day for the country if the railway management were entirely freed from the

control of the Finance Department of the Government of India. Therefore we are left to deal with only one change, which the Acworth Committee regarded as essential, namely, the complete separation of the Railway Budget from the general budget of the country. Now, I want to understand what is the exact meaning of that? The Railway Budget is at present practically separated from the general Budget. It is prepared and submitted as a separate budget, though it no doubt forms part of the general Budget. The section dealing with it is entirely separate. It would not become more separate if it is taken up at a different time from the time at which the general Budget is taken up. There are two things which are of the essence of this separation. In the first place there was the complaint in the past that there could not be a continuity of railway construction and improvement because there was no certainty that the necessary funds would be available from year to year. That has been provided against by 150 crores having been voted by this Assembly for railway construction and improvement during five years. That will go on. So there is no more any reason left for anybody to urge that railway improvement will be jeopardised for want of a certainty of continuous sufficient contribution from the Government of India. The thing that is of the essence of the change proposed is that the Government of India now desire that this Assembly should bind itself to receive from Railways only a limited amount of profits for the general revenues every year. That is the only issue which is a new issue before this Assembly. At present it is open to the Assembly or rather to the Finance Member acting for the Assembly, though he does not always act according to the wishes of the Assembly, to appropriate the whole of the Railway profits to the general revenues of the year. And we are asked to bind ourselves down to the view that the Finance Member shall not, in future, appropriate more than a certain fixed proportion of the railway profits of the year to the general revenues, that we should bind ourselves to receive a definite amount, namely, 1 per cent. of profits plus one-fifth of the surplus, subject to the other condition which has been mentioned when the surplus exceeds three crores. I submit, Sir, that the absence of such an agreement as is proposed does not mean anything serious for the railway administration. The railway administration is assured of 150 crores to be spent in five years. They are also assured that the Finance Member is not going to ask for any very large sum from the railway revenues to be made over to the general revenues. This is the position. Therefore when the Chief Commissioner

5 P.M.

of Railways and the other Members who have spoken on that side drew a lurid picture of the evils that will arise to the railway administration if the proposal before us is not accepted, I submit that they did not place the correct facts before the House. The railway administration will not come to grief, it cannot come to grief, if the proposal of the Honourable Member for Commerce is not accepted because there has been no suggestion that except during the years of the war the Government of India have not given ample funds to the Railways. The railway administration have been free to recommend what percentage of working expenses should be charged and what percentage should be reserved for renewals. The Government of India have as a rule provided in the Budget what they asked for. The question now before us is whether this House should bind itself to receive only a certain fixed percentage of the revenues of the railways or let the existing practice continue. Now Sir, my friends on the Government side say that we should agree to this proposal because we do not lose anything very much by doing so, and that we shall help the railway administration

[Pandit Madan Mohan Malaviya.]

to show better results if they will know that they will have a certain definite proportion of railway profits only to pay towards the general revenues and that the rest will go to improve railway administration or to reduce rates and fares. We ask our friends to agree to certain conditions, three conditions. To two of these conditions the Honourable the Finance Member and the Member for Commerce have expressed their general willingness to assent. They say, in practice, we agree that there shall be Indianisation of the railway services carried out with reasonable rapidity—at least that is how I understood them to express themselves. (*The Honourable Sir Basil Blackett* : "Quite right.") The one thing they have not expressed themselves about is the representation of Indians on the Railway Board. I do not remember to have heard anything at all from either the Honourable Member for Commerce or the Finance Member on that question, and it has been to me, Sir, a matter rather of surprise that they should not have said anything on this subject. I am open to correction.

The Honourable Sir Basil Blackett : I think I mentioned that this was a case in which the Government should have no particular difficulty in coming to an agreement with the Assembly.

Pandit Madan Mohan Malaviya : On the question of the Railway Board ?

The Honourable Sir Basil Blackett : Yes.

Pandit Madan Mohan Malaviya : Thank you. Therefore, Sir, if my friends do not find any difficulty in coming to an agreement with the Assembly on these two questions of the representation of Indians on the Railway Board and on the rapid Indianisation of the railway services, the only point of importance which divides the Government from this side of the House, is the question of an assurance that we desire to have from the Government that no State railway shall be handed over in future for management to a private company except with the prior approval of this Assembly. My friends say we should not apprehend that they will hand over a railway to a private company without consulting the Assembly. The Honourable the Finance Member has gone to the extent of saying that the matter will be brought before the Central Railway Advisory Council, and if any member of that Council should so desire, the matter will be brought before the Assembly. But there he stops. It will be brought before the Assembly for an expression of the opinion of this Assembly. Now, Sir, it is a painful thing for us to be reminded again and again and to remind our friends on the opposite side that a consultation with this Assembly does not yet mean that the Government of India will accept the view which this Assembly may express even by an overwhelming majority. We therefore desire that we should have the assurance from the Government that they will not hand over any State railway to a private company except with the approval of this Assembly. The Government say that this is a constitutional question, that they cannot as a Government—the Government of India and the Secretary of State together—agree to ask for the previous approval of the Assembly before handing over the management of a State railway to a private company. The Honourable the Finance Member has not told us what the constitutional difficulty is. The power is at present exercised by the Secretary of State. The Secretary of State, if the matter is represented to him will, I venture to think, see

the reasonableness of the demand which we put forward ; and if this demand is put forward before him and if he considers it reasonable, our difficulties and our differences will be solved. Why should not this view of the Assembly be placed before the Secretary of State, and why should not the Government of India keep an open mind on this question ? My Honourable friend says, " this is a constitutional question of great importance : we cannot agree to it ". Now I ask him to consider the other side of the case. There is a constitutional difficulty in the way of us Indian Members who represent the people in accepting the proposal of Government. That constitutional difficulty is this. Railway revenues bring us a certain amount of profit every year. Suppose there is a profit of 8 crores next year so far as the Railways are concerned, and suppose there is a deficit of two to three crores in the general Budget of the country. As matters stand at present, if we do not agree to the proposal of the Honourable the Commerce Member, the position will be that the Finance Member will take into account the 8 crores of profits on the Railways and adjust his account, without resorting to any fresh taxation. If we agree to the convention which is proposed, that is, bind ourselves not to touch anything above five crores or so of railway profits, we shall be face to face with this situation—that while there may be three crores more of railway profits on the year, it must be kept as a railway reserve, and we may have to increase the salt tax, or customs duties, or find some other means of taxation to meet the deficit of the two or three crores in the general budget. That will be the constitutional position in which we shall be placed. Now, I ask Members of Government to consider in fairness whether it is reasonable to ask the House to agree to such a convention unless we feel satisfied that in certain essential matters Government will not act without the consent of this Assembly if we agree partly to give up the power of appropriating revenues from the Railways to the general Budget. If we agree to expose ourselves to the situation in which fresh taxation may have to be imposed even while railway profits should be available, even when railway profits should be available but only to be placed in the railway reserve;—if we agree to put ourselves in that position, we must have the assurance that the railway administration shall be conducted by the Government in conformity with the wishes of this Assembly. And what is the assurance that we want ? The assurance that we want is that the biggest railway, the most profitable of all Indian railways, the East Indian Railway, shall not be handed over for management to a private company next year or the year after, that when the Great Indian Peninsula railway contract comes to an end it shall not be handed over to any private company without the prior approval of this Assembly. And why do we ask for this ? We ask for this assurance because we feel that, unless we get this assurance and unless we get fair representation on the Railway Board, we shall be doing a wrong, an injustice to the people of this country if we agree to the proposals of the Government. How are railway profits made ? How is the railway revenue made ? It is made up of the rates and fares imposed upon the people. It is the people who contribute in this indirect manner the revenues that the Railways raise. At present the railway administration and the Government of India are free to raise the rates and fares as they may think fit. The rates have been raised, fares have been raised without any reference to the Legislature. The people have long been complaining that rates and fares have become very high. We have heard a good deal to-day in this discussion and since these proposals

[Pandit Madan Mohan Malaviya.]

were put forward of the desire to reduce rates and fares. We have not yet seen that desire put into practice. We shall be very grateful if the desire to reduce rates and fares is actually put into practice. We have no wish that our people should be taxed to a larger extent than is justified by reason, we do not desire that the general revenues should receive a large yearly accretion from railway revenues by rates and fares being kept up; on the contrary, we desire that the rates and fares should be reduced. But we have no certainty that they will be reduced until we have an effective representation on the Railway Board and the Railway administration, until the Government of India know that they are under the necessity of coming to this Assembly year by year for the appropriation of railway revenues. My European friends say: "Do not throw away this highly desirable administrative reform for a consideration which is somewhat ulterior to the proposal before us". But this consideration is not ulterior. This is the one power which is in our hands of compelling the Government to carry out the reforms which we consider to be essential. If we agree to bind ourselves by the convention which you propose, if we agree that we shall not touch railway revenues beyond one-third of surplus profits year after year for the next three years, then it means this that you will be free, if you think it right at the time and I apprehend that it may be that Members of Government who are in power at the time may find abundant reason to be satisfied at that time that the State should not manage its railways and that they should be handed to a private Company, so to hand them over. We feel that in that case we shall not be able to justify our position before the people whom we represent, and therefore it is that we desire that the Government should give us the assurance that no State railway shall in future be handed over to a private company.

Now, Sir, it has also been said that we have imported political considerations into what should be a purely commercial question. It is rather amusing to hear that said. Sir, railway administration is not a purely commercial concern, it never has been so—it has been a politico-commercial concern from the time when the first Minute was written on Railways in 1853 or 1854, and that Minute was brimful of politico-commercial considerations. Railway administration has always been a politico-commercial business in this country. We are face to face with a situation which I want my European friends and Government Members to consider from our point of view. Look at the railway administration as it is being carried on at present. We take up the Railway Board Classified List. We find the Railway Board consists of Mr. Hindley, Mr. Parsons, Mr. Sheridan and Mr. Hadow. The officers are Mr. Chase, Mr. Allum, Mr. Tomkins, Mr. Manson, Mr. Maffin, Mr. Stanley, Mr. Harvey, Major Budden, then one Indian gentleman, then again an Englishman, then Mr. Nicolls, then one Bengali gentleman, then Mr. Thomas, then Mr. Hayman, then Mr. Graham. Now this is the position. Is there any country to which reference has been made, either Switzerland or Prussia or Japan or Italy, where conditions like those obtaining in India exist, where the railways are so controlled and managed by persons who are not inhabitants of the country in which the Railways are run? Is there any other railway administration in which the great bulk of the people who contribute to the Railways are unrepresented as Indians are unrepresented in the railway administration of this country? It is for these reasons that we desire to be assured that

the management of a State railway shall not be handed over to a company without our consent. My friends may think that we are importing political considerations into the matter, but we are bound to do so ; and we wish them to understand that it is part of our duty not to overlook political considerations. If my Honourable friends on the opposite side recognize that these considerations are valid, if they recognize that these are not unreasonable, then the Government of India should communicate with the Secretary of State, put our case before him, and obtain his consent to give us the assurance that we want, that no State railway shall in future be handed over to a Company for management until the approval of this Assembly has been obtained. They are put to the test of the sincerity of the views which they have propounded with great ability in this debate. They are now put to the test : if they earnestly feel that the change they propose should be effected, and if they recognize that we are reasonable in demanding that no State railway shall in future be handed over to a private Company without our approval, let them put forward our case before the Secretary of State. I feel confident, at least I feel hopeful, that the Secretary of State, considering the arguments that have been put forward on both sides in this debate, will not so easily come to the conclusion that what we have urged deserves to be ignored and that what the Government Members have urged deserves to be accepted in its entirety. For these reasons, Sir, I strongly support the amendment of my friend, Sir Purshotamdas Thakurdas, and I hope the House will carry it unanimously.

The Honourable Sir Charles Innes : Sir, I think we are all getting rather tired, and I do not propose to make a speech of any length. What impresses me about this debate is that after all there is very little difference between that side of the House and this. I think I am correct in saying that almost everyone in this House is perfectly satisfied that the separation we propose is really in the interests of the railways, in the interests of India, and in the interests of the tax-payer ; and I believe that all would be glad if we could arrive at some settlement which would enable us to get rid of the very small difficulty which is between us.

Now I will take first this question of Indianisation. Various things have been said in regard to this question in relation to the Railways today, but I think I may claim—I do not say anything about the past, the distant past—I think I may claim that in recent years we have done more in the way of Indianisation on Railways than in any other Department of Government. I have got the figures here. In the last three years we have taken on 16 officers in the Superior Traffic Department. Of those sixteen officers, not one has been a European—there were 8 Anglo-Indians and 8 Indians, that is to say, the whole sixteen have been Statutory Natives of India. In the Engineering Department in the last three years we have taken on 31 officers. Of those 31 officers, 9 were Europeans, 5 Anglo-Indians and 17 Indians. In other Departments we have taken on 29 officers, of which 5 have been Anglo-Indians and 2 have been Indians. Those other Departments include Departments like the Carriage and Wagon Department and the Locomotive Department which are Departments in respect of which we have got no facilities for training in India at present. Now in addition to that, Sir Basil Blackett has told you that we have agreed to the Lee Commission's proposals, namely, that we have agreed to this recommendation :

“ We are strongly of opinion that the extension of existing facilities should be pressed forward as expeditiously as possible in order that the recruitment of Indians

[Sir Charles Innes.]

may be advanced as soon as practicable up to 75 per cent. of the total number of vacancies in the Railway Department as a whole, the remaining 25 per cent. being recruited in England."

Now we have accepted that recommendation. Then coming to the question of the Railway Board, I look at this question of Indianisation in this way. You cannot possibly treat Indianisation with reference to individual appointments or individual officers. The Railway Board is a technical Board. It is composed purely of men who are qualified to fill the appointment by reason of their knowledge and experience of Indian Railways. It does not control policy. The policy of the Indian Railways is controlled by the Government of India. But the Railway Board is a body of technical men. I do hope the House would not think that there is any bar of any sort or kind against an Indian being appointed as a Member of the Railway Board; there is not. But the difficulty we experience in getting Indians to the Railway Board is that we have not got Indians in the Railway service of sufficient experience. It may be due. . . . (At this stage Pandit Madan Mohan Malaviya rose to speak). The Honourable Member spoke for half an hour. He might let me have my time. I will not give way.

Pandit Madan Mohan Malaviya : May I just ask a question of the Honourable the Commerce Member? I do not want to interrupt him. I want to ask whether there is not an Indian like Rai Bahadur Rala Ram, who was for many years Chief Engineer of the Eastern Bengal Railway and whether he is not qualified?

Mr. Deputy President : The Honourable Member had better avoid personal questions.

The Honourable Sir Charles Innes : It is grossly improper for the Honourable Pandit to raise the question of individual officers.

Mr. Deputy President : I have overruled it.

Mr. Chaman Lall : May I ask whether there is a single Indian Member of the Railway Board or a single Agent of Railways? Is it not possible to get an Indian to occupy these places?

Mr. Deputy President : I would permit the Honourable Member to go on.

The Honourable Sir Charles Innes : The Railway Board is composed purely of technical men, of senior technical experts in our Railway Service. The question of Indianisation in regard to the four members of the Board will right itself in time as Indians now in the service rise to senior positions. It may be that there were defects in the past in recruiting Indians for these services. But nobody can say in the last few years that those defects have not been repaired, and as Indians do rise to qualification and to the standard necessary for appointments not only in the organisation of the Board but in the Board itself, I will undertake that the claims of those Indians will be considered most carefully in each and every case. Already we have taken in the last few months two Indians in the Railway Board, and I hope that in the near future we will be able to take more. But, Sir, as I have said, I do not think there is very much difference between me and the House on that matter.

Let me now come to what is the crucial point in this case, namely, this question of State management. The Honourable Pandit in the course of

his speech just now said that they wanted security that in the next two or three years the East Indian Railway should not be handed over to a company. I want to make a fair offer to the other side. I suggest that if the Honourable Sir Purshotamdas Thakurdas will drop his amendment that we should agree on adding the following clause to the amended Resolution moved by Sir Henry Maccreeff Smith. It will come in as clause 9. It would go on :

“ They (these arrangements) shall hold good only so long as the East Indian Railway, the Great Indian Peninsula Railway and existing State-managed Railways remain under State management.”

That is to say, if any of these Railways is transferred to Company management, the convention goes ; and I have further added :

“ In the event of negotiations for transferring any of the above Railways to a private Company being undertaken, those negotiations shall not be concluded until facilities have been given for a discussion of the whole matter in the Assembly.”

Now, it seems to me, Sir, that that clause which I suggest meets all our difficulties. It enables the Members of this House to gain the separation proposals, to see these proposals through without giving away anything at all. It gives you security as regards these Railways. According to this amendment if any Railway, either the East Indian Railway, the Great Indian Peninsula Railway or any Railway now managed by the State is transferred to a private company during the currency of the convention that is to say, three years, the convention ceases to hold good, and I further say here that we are prepared, in the event—in the very unlikely event—of negotiations of this kind for transfer being undertaken, to have an understanding with the House, to make a promise to the House, that before any such negotiations are concluded, the Government will give facilities for discussion of the whole matter in this House. It seems to me, Sir, that this is a bridge over which we can pass on to the goal desired, namely, the goal of separation. It seems to me that everybody in this House is agreed that this separation is going to enable us to manage our Railways better and more efficiently, and that separation will be for the good of India. Mr. Duraiswamy Aiyangar suggested that if we had separation, we would not be able to reduce pilgrim fares. I assure Mr. Duraiswamy Aiyangar that if he is anxious to get the fares of pilgrims reduced, to have the rates and fares for the whole country reduced, the best way to do it is to agree to our proposal about separation. There is nothing between us except this fear that these Railways are going to be transferred to companies in the next few years. The amendment which I have proposed seems to me to relieve that fear on your part and enables this House to agree with a perfectly clear conscience to the proposals of Government, and I hope my Honourable friends opposite will meet me in this matter.

Sir Purshotamdas Thakurdas : Sir, we adjourned the House at 5 O'Clock yesterday and when an Honourable Member suggested that we might have got through that Bill, I think, Sir, the Honourable the President said that 5 O'Clock was late enough for this House to sit up to. I see that the Clock stands very nearly at half past five now, and in view of what I said at the outset when I moved my amendment that I was moving it on behalf of the Nationalist party, the Treasury Benches can easily understand that I am not in a position to say yes or no in reply to their suggestion without consulting my party. I would therefore suggest to you that the House may be adjourned and the discussion kept over till the next Government day.

The Honourable Sir Alexander Muddiman : I move that the debate be adjourned to the next Government day.

The Honourable Sir Charles Innes : I beg to move the following amendment :

“ That a new clause 9 be added to the amended Resolution moved by Sir Henry Moncrieff Smith.

“ 9. They shall hold good only so long as the East Indian Railway, Great Indian Peninsula Railway and existing State-managed Railways remain under State management. In the event of negotiations for transferring any of the above Railways to a private company being undertaken, these negotiations shall not be concluded until facilities have been given for a discussion of the whole matter in the Assembly.”

Mr. Deputy President : Further discussion is adjourned to next Friday.

Mr. Deputy President : Honourable Members are informed that the elected members of this Assembly have to meet in Committee Room B for the purpose of electing four persons to the Court of the Delhi University.

The Assembly then adjourned till Eleven of the Clock on Thursday, the 18th September, 1924.
